#### Haines Borough Borough Assembly Meeting #285 AGENDA

#### February 10, 2015 - 6:30 p.m.

Location: Assembly Chambers, Public Safety Bldg.

**Jan Hill**, Mayor

Dave Berry Jr., Assembly Member

**Diana Lapham**, Assembly Member

Mike Case Assembly Member

Joanne Waterman, Assembly Member

George Campbell, Assembly Member

Ron Jackson, Assembly Member

**David Sosa**, MPA Borough Manager

**Julie Cozzi**, MMC Borough Clerk

Krista Kielsmeier Deputy Clerk 1. CALL TO ORDER/PLEDGE TO THE FLAG

2. ROLL CALL

3. APPROVAL OF AGENDA & CONSENT AGENDA

[The following Consent Agenda items are indicated by an <u>asterisk</u> (\*) and will be enacted by the motion to approve the agenda. There will be no separate discussion of these items unless an assembly member or other person so requests, in which event the asterisk will be removed and that item will be considered by the assembly on the regular agenda.]

#### Consent Agenda:

4 – Approve Assembly Meeting Minutes

8B - Chilkat Center Report

8C - Finance Director Report

8D - Police Dept Report

8E – Public Library Report

9A – Library Board Minutes

9B - Parks & Rec Committee Minutes

9C - Port and Harbor Advisory Committee Minutes

9D - Public Safety Commission Minutes

11A1 - Resolution 15-02-611

11B1 - Ordinance 15-02-400

12A - Borough Manager Letter re. "Baby Brown" Timber Sale

- **\* 4**. **APPROVAL OF MINUTES –** 1/27/15 Regular
  - **5. PUBLIC COMMENTS** [Any topics <u>not</u> scheduled for public hearing]
  - 6. MAYOR'S COMMENTS/REPORT
  - 7. PUBLIC HEARINGS
    - A. Ordinance 15-01-396 First Hearing

An Ordinance of the Haines Borough authorizing a one-year extension of a lease of the Human Resources Building by Chilkat Valley Preschool for the purpose of providing preschool educational services.

The preschool (CVP) has leased the Human Resources Building on a year-to-year basis since the year 2000, and the current lease was authorized by the assembly on 2/11/14 for a period ending 6/30/15. The CVP has requested a one-year extension for a new term date of 6/30/16. Borough Charter states the leasing of borough property must be approved by the assembly by ordinance. This was introduced on 1/27. Motion: Advance Ordinance 15-01-396 to a second public hearing on 2/24/15.

B. Ordinance 15-01-397 - First Hearing

An Ordinance of the Haines Borough determining whether a foreclosed property deeded to the borough shall be retained for a public purpose or sold.

This ordinance is recommended by the planning commission and staff. This was introduced on 1/27. Motion: Advance Ordinance 15-01-397 to a second public hearing on 2/24/15.

C. Ordinance 15-01-398 – First Hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Subsection 18.60.020(H) to clarify the criteria for temporary residence permits.

This ordinance is recommended by the planning commission and staff. This was introduced on 1/27. <u>Motion</u>: Advance Ordinance 15-01-398 to a second public hearing on 2/24/15.

#### 7. PUBLIC HEARINGS ---continued---

#### D. Ordinance 15-01-399 - First Hearing

An Ordinance of the Haines Borough adopting a new water-sewer rate schedule to set rates, fees and charges for water and sewer services.

This ordinance is recommended by the Government Affairs & Services Committee. This was introduced on 1/27. Staff has proposed a correction to the ordinance to reflect the intended rate of \$4.50 per 1,000 gallons for commercial bulk water purchase. The mayor recommends adopting a substitute ordinance to make this change. Motion: Substitute Ordinance 15-01-399 in its entirety with the draft recommended by the Mayor and schedule a second public hearing on 2/24/15.

#### 8. STAFF/FACILITY REPORTS

- A. Borough Manager 2/10/15 Report
- **★B**. Chilkat Center Facility Report of January 2015
- **★C.** Finance Director FY15 2<sup>nd</sup> Quarter General Fund Financial Report
- **★D.** Police Department 2/3/15 Report
- **\*E.** Library Director Staff Report of 12/17/2014

#### 9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

- \*A. Library Board Minutes of 12/17/2014
- \*B. Parks and Recreation Advisory Committee Minutes of 10/23/14 and 11/20/14
- **\*** C. Port and Harbor Advisory Committee Minutes of 1/5/15 and 1/26/15
- **\*D.** Public Safety Commission Minutes of 12/8/14
  - E. Assembly Standing Committee Reports

#### 10. UNFINISHED BUSINESS

#### 11. NEW BUSINESS

#### A. Resolutions

#### **\***1. Resolution 15-02-611

A Resolution of the Haines Borough Assembly supporting the reinstatement of a full \$60 million into the Revenue Sharing fund on a yearly basis with a one-year appropriation of \$8 million to the fund with an effective date prior to June 30, 2015.

A resolution recommended by the Manager on behalf of the Alaska Municipal League (AML). **Motion:** Adopt Resolution 15-02-611.

#### 2. Resolution 15-02-612

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a Memorandum of Agreement with the Alaska Department of Transportation and Public Facilities for the Haines – Klehini Bridge Replacement and Transfer project.

This resolution is recommended by the Manager. Motion: Adopt Resolution 15-02-612.

#### **B.** Ordinances for Introduction

#### \*1. Ordinance 15-02-400

An Ordinance of the Haines Borough authorizing a five-year extension of a lease of an upstairs portion of the Public Safety Building by the State of Alaska for the purpose of providing services through the Department of Fish and Game, with the option to renew for five additional one-year periods.

This ordinance is recommended by the Manager. <u>Motion</u>: Introduce Ordinance 15-02-400 and set a first public hearing for 2/24/15.

#### C. Other New Business

#### 12. CORRESPONDENCE/REQUESTS

\* A. Borough Manager Letter – Comments on "Baby Brown" Timber Sale

#### 13. SET MEETING DATES

#### 14. PUBLIC COMMENTS

#### 15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

#### 16. ADJOURNMENT

Haines Borough, Alaska Agenda: February 10, 2015

# Haines Borough Borough Assembly Meeting #284 January 27, 2015 MINUTES Draft

1. <u>CALL TO ORDER/PLEDGE TO THE FLAG</u>: Deputy Mayor **LAPHAM** called the meeting to order at 6:33 p.m. in the Assembly Chambers and led the pledge to the flag.

#### 2. ROLL CALL

**Present:** Mayor Jan **HILL** (via telephone), Deputy Mayor Diana **LAPHAM**, and Assembly Members Joanne **WATERMAN**, Ron **JACKSON**, Mike **CASE**, and George **CAMPBELL**. Absent: Dave **BERRY**.

**Staff Present:** David **SOSA**/Borough Manager (via telephone), Krista **KIELSMEIER**/Deputy Clerk, Bill **MUSSER**/Chief of Police, Carlos **JIMENEZ**/Director of Public Facilities, Jila **STUART**/Finance Director, Helen **ALTEN**/Museum Director, Tracy **CUI**/Planning and Zoning Technician, Patricia **BROWN**/Library Director, and Warren **JOHNSON**/IT Consultant.

Visitors Present: Charolett BAKER/(via telephone), Karen GARCIA/CVN, Tom MORPHET/CVN, Margaret FRIEDENAUER/KHNS, Debra SCHNABEL, Jack WENNER, Jolanta RYAN, Susan MCCARTNEY, Alissa HENRY, Mike DENKER, Glenda GILBERT, Renee HOFFMAN, Melissa GANEY, and others.

#### 3. APPROVAL OF AGENDA & CONSENT AGENDA

The following Items were on the published consent agenda:

#### Consent Agenda:

4 – Approve Assembly Meeting Minutes

8B - Finance Director Report

9A - Planning Commission Minutes

9B - Tourism Advisory Board Minutes

11A1 - Resolution 15-01-609

11A2 - Resolution 15-01-610

11B2 - Ordinance 15-01-397

11B3 - Ordinance 15-01-398

<u>Motion</u>: CASE moved to "approve the agenda/consent agenda," and it was amended to remove items 11A2 and 11B3 from the consent agenda. The motion to approve the agenda, as amended, carried unanimously.

#### \*4. APPROVAL OF MINUTES - 1/13/15 Regular Meeting

#### 5. PUBLIC COMMENTS

**SCHNABEL** – Encouraged introduction of Ordinance 15-01-396.

**MORPHET** – Provided update on proposed sauna project at Haines pool.

**HENRY** – Supported extending Chilkat Valley Preschool lease.

#### 6. MAYOR'S COMMENTS/REPORT

Mayor **HILL** reported she was in Juneau with the Borough Manager to speak with legislators regarding local funding priorities, and she will continue the effort in February at the Alaska Municipal League winter session and Conference of Mayors. She also thanked the Chilkat Snowburners for presenting the Borough a trophy for support of the Alcan 200 snowmachine race.

#### 7. PUBLIC HEARINGS

#### A. <u>Appeal of Administrative Foreclosure Action</u> – Charolett Baker

Note: On September 25, 2014, the borough issued Notices of Breach of Contract for Lots 7 & 8, Four Winds Subdivision. Each lot involves a separate contract. Subsequently, the landowner's mother, Charolett Baker, presented documentation of legal power of attorney and appealed to the lands manager. A hearing regarding both contracts was held on December 1, 2014. Following that hearing, on December 10, 2014, the lands manager issued a decision to foreclose on and terminate both contracts. As provided for in HBC 14.20.110(F), Ms. Baker timely-exercised a right of appeal to the borough assembly. Following this hearing, the assembly may uphold or reverse the land manager's decision.

**BAKER** and **SOSA** presented and then answered questions from the assembly.

An 8-minute recess was given.

<u>Motion</u>: WATERMAN moved to "have this go back to staff and have them work a manageable plan with Ms. Baker in what they can agree with is a timely manner," and it was amended "to not cease the appeal process but direct this back to staff to work with Ms. Baker to come to a payment agreement." The motion, as amended, carried unanimously in a roll call vote.

#### B. Ordinance 14-12-393 - Second Hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Section 18.70.040 to allow vacation rentals in a light industrial/commercial zone with a conditional use permit.

Deputy Mayor **LAPHAM** opened and closed the public hearing at 7:21 p.m.; there were no public comments.

<u>Motion</u>: **CASE** moved to "adopt Ordinance 14-12-393," and the motion carried unanimously in a roll call vote.

#### C. Ordinance 14-12-394 - Second Hearing

An Ordinance of the Haines Borough amending Haines Borough Code Title 2 Chapter 2.98 to reflect the Public Library's designation as a Borough Department.

Deputy Mayor **LAPHAM** opened and closed the public hearing at 7:24 p.m.; there were no public comments.

<u>Motion</u>: **WATERMAN** moved to "adopt Ordinance 14-12-394," and the motion carried unanimously in a roll call vote.

#### 8. STAFF/FACILITY REPORTS

A. Borough Manager – 1/27/15 Report

**SOSA** summarized his written report. Additional topics addressed included a concern from **CASE** regarding the Borough phone system and residents having difficulty contacting the correct staff members. **SOSA** said updates to the Borough answering machine and website would help make staff more accessible.

\* B. Finance Officer – Permanent Fund Report – period ending 12/31/14

#### 9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

- **\*** A. Planning Commission *Minutes of 12/18/14*
- **\* B. Tourism Advisory Board** Minutes of 9/23/14 and 11/20/14
  - C. Assembly Standing Committee Reports
    - **1. Finance Committee** Report of 1/19/15 Meeting

**WATERMAN** referred assembly members to the minutes from the meeting.

#### 10. UNFINISHED BUSINESS - None

#### 11. NEW BUSINESS

A. Resolutions

#### \*1. Resolution 15-01-609

A Resolution of the Haines Borough Assembly supporting full funding for the State of Alaska Harbor Facility Grant Program in the FY 2016 state capital budget.

The motion adopted by approval of the consent agenda: "adopt Resolution 15-01-609."

#### 2. Resolution 15-01-610

A Resolution of the Haines Borough Assembly supporting the addition of port and harbor employees to the list of employees covered by AS 12.55.135.

<u>Failed Motion</u>: **CAMPBELL** moved to "send Resolution 15-01-610 to our Public Safety committee group and have them review it and bring it back with their recommendations." The motion <u>failed</u> 3-2 with **CASE** and **JACKSON** opposed.

<u>Failed Motion</u>: **WATERMAN** moved to "adopt Resolution 15-01-610 with the first 'whereas' struck because it does not apply to this resolution." The motion <u>failed</u> 3-2 in a roll call vote with **CAMPBELL** and **LAPHAM** opposed.

#### B. Ordinances for Introduction

#### 1. Ordinance 15-01-396

An Ordinance of the Haines Borough authorizing a one-year extension of a lease of the Human Resources Building by Chilkat Valley Preschool for the purpose of providing preschool educational services.

Note: The preschool (CVP) has leased the Human Resources Building on a year-to-year basis since the year 2000, and the current lease was authorized by the assembly on 2/11/14 for a period ending 6/30/15. The CVP requested a one-year extension for a new term date of 6/30/16. The manager proposed an amended lease with changes to the term and rent sections. Borough Charter (Section 3.03(8)) states the leasing of borough property must be approved by the assembly by ordinance.

<u>Motion</u>: **WATERMAN** moved to "introduce Ordinance 15-01-396 and set a first public hearing for 2/10/15," and the motion carried unanimously.

#### \*2. Ordinance 15-01-397

An Ordinance of the Haines Borough determining whether a foreclosed property deeded to the borough shall be retained for a public purpose or sold.

The motion adopted by approval of the consent agenda: "introduce Ordinance 15-01-397 and schedule a first public hearing for 2/10/15."

#### 3. Ordinance 15-01-398

An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Subsection 18.60.020(H) to clarify the criteria for temporary residence permits.

<u>Motion</u>: **CAMPBELL** moved to "introduce Ordinance 15-01-398 and set a first public hearing for 2/10/15," and the motion carried unanimously.

#### 4. Ordinance 15-01-399

An Ordinance of the Haines Borough adopting a new water-sewer rate schedule to set rates, fees and charges for water and sewer services.

<u>Motion</u>: **WATERMAN** moved to "introduce Ordinance 15-01-399 and set a first public hearing for 2/10/15," and the motion carried unanimously.

#### C. Other New Business

#### 1. Board Appointments

Note: Three appointment applications were received for two vacancies on the planning commission. One application was subsequently withdrawn. The commission met with the remaining applicants and recommends appointment of both individuals. The mayor agreed and sought assembly confirmation.

<u>Motion</u>: **CAMPBELL** moved to "confirm the mayor's appointments of Brenda Josephson and Rob Miller to the planning commission for terms ending 11/30/17," and the motion carried unanimously in a roll call vote.

#### 12. CORRESPONDENCE/REQUESTS - None

#### 13. SET MEETING DATES

A. Annual Joint Assembly/School Board Meeting: Wednesday, 2/11, 6:30 p.m., Location: TBD

#### 14. PUBLIC COMMENTS - None

#### 15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

**CASE** – Thanked the Public Works department for grading work on East Fair Drive.

**CAMPBELL** – Thanked Public Works for fixing potholes on FAA Road. He also thanked **MORPHET** for his efforts on the sauna project and **LAPHAM** and organizers for their leadership with the Alcan 200.

**LAPHAM** – Commented on the learning experience from presiding over the past two meetings and said she looks forward to **HILL**'s return.

**JACKSON** – Proposed the Borough submit a comment regarding the state's "Baby Brown" Timber Sale, specifically to address road maintenance and the highway's Scenic Byway status.

<u>Motion</u> : <b>JACKSON</b> moved to "ask the manager to finalize a Forest regarding those two topics and some more that munanimously.	
<b>16. ADJOURNMENT</b> – 7:58 p.m.	
<u>Motion</u> : WATERMAN moved to "adjourn the meeting," and the	ne motion carried unanimously.
ATTEST:	Janice Hill, Mayor

Julie Cozzi, MMC, Borough Clerk

## Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-542
Assembly Meeting Date: 2/10/15

Business Item Des			Attachments:	
Subject: Authorize One-Y	ear Extension of HRB L	ease	1. Ordinance 15-01-3	
to the Chilkat Valley Preschool, ending 6/30/2016.		Proposed Lease (containing amendments to the rent and term sections)		
Originator:			3. Letter from CVP Requesting a One-Year Extension	
Borough Manager			4. Existing lease	
Originating Department Administration	Ι:			
Date Submitted:				
1/16/15				
Full Title/Motion:				
Motion: Advance Ordinano	co 15-01-306 to a secon	nd nubli	c hearing on 2/24/15	
Wollon, Advance Ordinand	te 15-01-390 to a secon	ia publi	c nearing on 2/24/15.	
Administrative Rec	ommendation:			
The borough manager rec	commends adoption.			
Fiscal Impact:				
_	Amount Budgeted	Annr	opriation Doquired	Projected Impact to Future
Expenditure Required	Amount Budgeted	Аррі	opriation Required	Operating Budgets
\$0	\$0	\$ 0		TBD
Comprehensive Pla	n Consistency Pe	wiew	7•	
Comp Plan Goals/Object		VICVV	•	
Objective 17E(7), Page 294			Consistent: ■Yes	□No
Objective 18A(3), Page 299				
Summary Statemer	nt:			
The Chilket Valley Prescho	ool (CVP) has leased the	Huma	n Pasaureas Building	on a year-to-year basis since the year
				riod ending 6/30/15. The CVP has
requested a one-year exter	nsion for a new term dat	e of 6/3	30/16. The manager pr	oposes an amended lease with
changes to the term and re Borough Charter states the				be renewed beyond 6/30/16.
Dorough Charter states the	rieasing or borough pro	perty ii	idst be approved by the	e assembly by ordinance.
Referral:				
Referred to:			Referral Date:	
Recommendation:			N	Meeting Date:
Assembly Action: Meeting Date(s): 1/27/1				
	E 0/40/4E		Public Hearing Dat	( )

## HAINES BOROUGH, ALASKA ORDINANCE No. 15-01-396

Draft

An Ordinance of the Haines Borough authorizing a one-year extension of a lease of the Human Resources Building by Chilkat Valley Preschool for the purpose of providing preschool educational services.

WHEREAS, HBC 14.16.060 provides that "[t]he lease of any borough land may be made to any state or federal agency, nonprofit organization, or political subdivision of the state for less than the appraised value, and for a consideration to be determined by the assembly to be in the best interests of the borough"; and

WHEREAS, the nonprofit organization known as Chilkat Valley Preschool (CVP) has been leasing the downstairs portion of the borough's Human Resources Building situated on Lots 8 and 9, Block 13, Haines Townsite Subdivision to provide a preschool program; and

WHEREAS, CVP has leased this property on a year-to-year basis since the Haines City Council first granted the lease on September 20, 2000; and

**WHEREAS,** the existing lease was effective February 25, 2014 with a termination date of June 30, 2015; and

WHEREAS, on December 22, 2014, CVP made written request for a one-year extension of the lease termination date, through June 30, 2016; and

**WHEREAS**, knowing the borough desires to dispose of the Human Resources Building, CVP is aggressively pursuing relocation to another facility but is concerned the accommodations may not be complete prior to the 2015-2016 school year and wishes the program to continue with minimal disruption; and

**WHEREAS**, Borough Charter 3.03(8) stipulates that the leasing of borough property must be granted by the assembly by ordinance,

**NOW THEREFORE BE IT ENACTED**, by the Haines Borough Assembly, that it is hereby determined to be for a public purpose and in the public interest of the Haines Borough to extend through June 30, 2016 the existing lease of the Human Resources Building lease with the Chilkat Valley Preschool for the purpose of providing preschool educational services.

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. <u>Effective Date</u>. This ordinance shall become effective immediately upon adoption.

ADOPTED BY A DULY CON DAY OF,		OF THE HAINES BOROUGH ASSEMBLY THIS
Attest:		Janice Hill, Mayor
Julie Cozzi, MMC, Borough	Clerk	
Date Introduced: Date of First Public Hearing: Date of Second Public Hearing:	01/27/15 02/10/15 //	

## Haines Borough Human Resource Building

## **Draft**

## **In-Kind Lease Agreement**

LEASE AGREEMENT made as of the \_\_\_\_\_ day of February, 2015

BY and BETWEEN the Lessor: Haines Borough

and the Lessee: Chilkat Valley Preschool

The Lessor and the Lessee agree as set forth below.

#### WITNESSETH:

That for and in consideration of the agreements hereinafter mentioned to be kept and performed by the Lessee, Lessor does hereby lease unto said Lessee the main floor of the building known as the Human Resources Building, situated on Lots 8 and 9, Block 13, Haines Townsite Subdivision, and such area as necessary to carry out the preschool program.

TO HAVE AND TO HOLD the above described premises, with the rights, privileges, easements and appurtenances thereunto belonging or in any way appertaining, unto Lessee for a **term commencing on the 1**<sup>st</sup> **day of July, 2015 and terminating on the 30st day of June, 2016,** and yielding possession thereof as hereinafter provided with both parties in agreement that there is no option to renew this lease and under no circumstances will the lease be renewed.

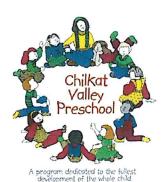
- 1. **RENT**: No charge for rent from 1 July 2015 through 31 December 2015. From 1 January 2016 through 30 June 2016 monthly rent will be \$500.00. The monthly rent from 1 January 2016 through 30 Jun 2016 will be waived if the Lessee provides the Lessor a certified copy of a lease or a document of sale (hereafter referred to as the "Document") demonstrating that a structure suitable for use as a preschool has been obtained. The Document must be provided before the 15<sup>th</sup> day of December 2015 to be eligible to waive the rent for January 2016 and beyond. Thereafter, the Lessee has until 4:00 PM on the 15th of each month to provide the Lessor a certified copy of the Document in order for rents in succeeding months to be waived. The Lessee will have no ability to receive already paid rents back from the Lessor. Should the Lessee's arrangements for lease or purchase fall through, the Lessee shall owe the Lessor all back rents for months in which rent was waived.
- 2. **USE**: Preschool
- 3. <u>ALTERATIONS AND REPAIRS</u>: Lessee shall not make any alteration or repair of the said premises, or any part thereof, without first obtaining the written consent of Lessor. Lessee shall, at its sole cost and expense, repair all damage to the leased premises caused by the Lessee's use of the premises. Lessee shall keep and maintain the leased premises in good condition and repair, normal wear and tear excepted.
- 4. <u>LIENS</u>: Lessee shall not cause the demised premises to be encumbered by any liens, and shall, whenever and as often as any such liens may be recorded against said property, purporting to be for labor or materials furnished or to be furnished to the Lessee, take steps to discharge such liens within a reasonable time after the date of filing. Lessor shall not be liable for any labor or materials furnished or to be furnished to the Lessee upon credit.
- 5. <u>UTILITIES</u>: Lessee shall pay for all heat, lights, power, water, sewer and phone services supplied to the property used by them.
- 6. <u>INDEMNIFICATION</u>: Lessee shall defend, indemnify and save harmless Lessor from and against any and all losses, damages, liabilities, expenses, claims and demands of whatsoever

- character, direct or indirect, arising out of or in any way connected with, this lease of the demised premises or use or occupancy thereof by Lessee.
- 7. **INSURANCE**: Lessor shall provide and maintain fire insurance on the leased building. Lessee shall provide the necessary insurance on its personal property on the premises and liability insurance of not less than \$500,000 bodily injury, \$100,000 property damage and \$5,000 medical payments. Proof of such insurance shall be provided to Lessor by Lessee's insurance company upon execution of this lease and upon any renewal of said policies. Lessee shall provide lessor written notice thirty days in advance of any cancellation of insurance coverage.
- 8. **ENTRY BY LESSOR**: Lessee shall permit Lessor and its agents to enter the premises at all reasonable times for the purposes of access to areas in the leased building not covered in this lease and for the purpose of inspecting the same or making repairs.
- 9. **SUBLETTING AND ASSIGNMENT**: Lessee shall not assign this lease, or any interest thereof, without the written consent of Lessor.
- 10. <u>COMPLIANCE WITH LAW</u>: Lessee shall, at their sole cost and expense, comply with all the requirements of the Haines Borough, State of Alaska and Federal laws, regulations, statutes or ordinances pertaining to said premises and their use, including all regulations prohibiting smoking in public buildings.
- 11. **<u>DESTRUCTION OF PREMISES</u>**: In the event of damage or destruction of the leased premises from any cause, the Lessor shall have the option to repair the same. In the event Lessor does not elect to make such repairs, this lease may be terminated at the option of either party. A total destruction of the premises shall terminate the lease. Lessor shall give notice of its election to repair within ten days from the date of the damage or destruction.
- 12. **REMEDIES OF LESSOR ON DEFAULT**: In the event of any breach of this lease by Lessee, then Lessor shall have the right of re-entry subject to the Landlord and Tenant Act provisions.
- 13. **OCCUPANCY**: Lessee shall have the right of occupancy as of the signing of this lease.
- 14. **TERMINATION**: The Lessee may terminate this lease upon giving thirty days written notice to the Lessor if the use of the premises by the Lessee ceases for any reason. In such a case, upon quitting the premises, the Lessee shall remove all personal and business property from the premises and shall leave the premises in good condition, normal wear and tear excepted. The Lessor may terminate this lease upon giving the Lessee thirty days written notice.
- 15. **ENTIRE AGREEMENT**: This lease sets forth the entire understanding of the parties, and no modifications may be made hereto except by written addendum signed by the parties. This lease binds the heirs, personal representatives, successors and legal assigns of all the parties hereto.

IN WITNESS WHEREOF, the parties have executed this lease as of the day, month and year first above written.

This Lease Agreement entered into as of the day and year first written above.

LESSOR	LESSEE
David B. Sosa, Borough Manager	Alissa Henry, Board President
Haines Borough	Chilkat Valley Preschool
Attest:	
Julie Cozzi, MMC, Borough Clerk	



## 20013-2014 BOARD OF

Alissa Henry President

**DIRECTORS** 

Melissa Ganey Vice President

Katherine Lee Treasurer

Jolanta Ryan Secretary

Susie McCartney Lexie Dewitt Emily McMahan

#### STAFF

Janet Hayes Lead Teacher

Josie Allen Assistant Teacher

Meghan Elliott Assistant Teacher

Courtney Hunt Assistant Teacher

Renee Hoffman Manager

## Chilkat Valley Preschool

PO Box 1165 Haines AK 99827 (907) 766-3213

cvpreschool@aptalaska.net

www.chilkayvalleypreschool.org

RECEIVED Haines outre

Haines Borough
RE: Chilkat Valley Preschool Lease Extension
Attn: Julie Cozzi, Dave Sosa,

JAN 22 2015 Clerk's Office

This letter is a request for a lease extension of the Human Resources building, from July 1, 2015 – July 1, 2016. In February 2014 the assembly made it clear the HR building was not a permanent solution for the home of the CVP and that they wanted to see a plan to move the CVP to a more sustainable location. Following up on the advice of the assembly the CVP board of directors continued to implement our plan to raise sufficient funding to secure a safe and economical location for the CVP. The current lease is expiring on June 30, 2015. We are asking for an extension to allow CVP to continue operating our Preschool program for the families of Haines without disruption, should we be unable to complete the purchase and remodel of the new facility by August 30<sup>th</sup> 2015.

Since May 1<sup>st</sup> 2014 CVP has been securing funding for a new facility. The show of community support has been amazing as we have raised \$100,000 in local funds over the last 6 months. We expect to raise an additional \$40,000 by this spring and are submitting grants to various foundations that will be awarded in July and December of 2015. Before we can move forward to purchase our new building we need to raise at least \$200,000. We are confident that we will raise the required amount to purchase the building in the next 6 months; however this lease extension is essential as it will guarantee that we will have a building to operate the Preschool program in for start to the 2015-2016 school year should we be unable to complete the remodel in time.

The CVP board of directors feels that it is important to remember that the Haines Borough School district is constantly worrying about the drop in enrolment yet the CVP has a record enrollment this year serving 25 families. Quality programs like the CVP are what keeps young families in Haines and without these programs families will be more likely to look to other communities to raise their families. The value of early childhood education is well documented and the CVP board feels like they have demonstrated a commitment that should be matched by the Haines Borough. Early childhood education is the key to the success of our community. As the White House education webpage states "Expanding access to high quality early childhood education is among the smartest investments we can make."

We are very eager to vacate the Human Resource building and will do so as soon as we can. We appreciate all your time and effort in assisting us with our mission to be a provider of quality early childhood education for our community. If you have any questions or need more information please

Sincerely,
Renee Hoffman
Renee Hoffman
Chilkat Valley Preschool

RECEIVED Haines Boron

JAN 22 2015

Clerk's

MAR 04 2014

## ES BOROUGH

## Haines Borough Human Resource Building

## **In-Kind Lease Agreement**

LEASE AGREEMENT made as of the 25 day of February, 2014

BY and BETWEEN the Lessor: Haines Borough

and the Lessee: Chilkat Valley Preschool

The Lessor and the Lessee agree as set forth below.

#### WITNESSETH:

That for and in consideration of the agreements hereinafter mentioned to be kept and performed by the Lessee, Lessor does hereby lease unto said Lessee the main floor of the building known as the Human Resources Building, situated on Lots 8 and 9, Block 13, Haines Townsite Subdivision, and such area as necessary to carry out the preschool program.

TO HAVE AND TO HOLD the above described premises, with the rights, privileges, easements and appurtenances thereunto belonging or in any way appertaining, unto Lessee for a term commencing on the 1<sup>st</sup> day of January, 2014 and terminating on the 30st day of June, 2015, and yielding possession thereof as hereinafter provided subject to an option to renew.

- 1. **RENT**: No charge for rent.
- 2. USE: Preschool
- 3. <u>ALTERATIONS AND REPAIRS</u>: Lessee shall not make any alteration or repair of the said premises, or any part thereof, without first obtaining the written consent of Lessor. Lessee shall, at its sole cost and expense, repair all damage to the leased premises caused by the Lessee's use of the premises. Lessee shall keep and maintain the leased premises in good condition and repair, normal wear and tear excepted.
- 4. <u>LIENS</u>: Lessee shall not cause the demised premises to be encumbered by any liens, and shall, whenever and as often as any such liens may be recorded against said property, purporting to be for labor or materials furnished or to be furnished to the Lessee, take steps to discharge such liens within a reasonable time after the date of filing. Lessor shall not be liable for any labor or materials furnished or to be furnished to the Lessee upon credit.
- 5. <u>UTILITIES</u>: Lessee shall pay for all heat, lights, power, water, sewer and phone services supplied to the property used by them.
- 6. <u>INDEMNIFICATION</u>: Lessee shall defend, indemnify and save harmless Lessor from and against any and all losses, damages, liabilities, expenses, claims and demands of whatsoever character, direct or indirect, arising out of or in any way connected with, this lease of the demised premises or use or occupancy thereof by Lessee.
- 7. <u>INSURANCE</u>: Lessor shall provide and maintain fire insurance on the leased building. Lessee shall provide the necessary insurance on its personal property on the premises and liability insurance of not less than \$500,000 bodily injury, \$100,000 property damage and \$5,000 medical payments. Proof of such insurance shall be provided to Lessor by Lessee's insurance company upon execution of this lease and upon any renewal of said policies. Lessee shall provide lessor written notice thirty days in advance of any cancellation of insurance coverage.

- 8. <u>ENTRY BY LESSOR</u>: Lessee shall permit Lessor and its agents to enter the premises at all reasonable times for the purposes of access to areas in the leased building not covered in this lease and for the purpose of inspecting the same or making repairs.
- 9. <u>SUBLETTING AND ASSIGNMENT</u>: Lessee shall not assign this lease, or any interest thereof, without the written consent of Lessor.
- 10. <u>COMPLIANCE WITH LAW</u>: Lessee shall, at their sole cost and expense, comply with all the requirements of the Haines Borough, State of Alaska and Federal laws, regulations, statutes or ordinances pertaining to said premises and their use, including all regulations prohibiting smoking in public buildings.
- 11. <u>DESTRUCTION OF PREMISES</u>: In the event of damage or destruction of the leased premises from any cause, the Lessor shall have the option to repair the same. In the event Lessor does not elect to make such repairs, this lease may be terminated at the option of either party. A total destruction of the premises shall terminate the lease. Lessor shall give notice of its election to repair within ten days from the date of the damage or destruction.
- 12. <u>REMEDIES OF LESSOR ON DEFAULT</u>: In the event of any breach of this lease by Lessee, then Lessor shall have the right of re-entry subject to the Landlord and Tenant Act provisions.
- 13. OCCUPANCY: Lessee shall have the right of occupancy as of the signing of this lease.
- 14. <u>TERMINATION</u>: The Lessee may terminate this lease upon giving thirty days written notice to the Lessor if the use of the premises by the Lessee ceases for any reason. In such a case, upon quitting the premises, the Lessee shall remove all personal and business property from the premises and shall leave the premises in good condition, normal wear and tear excepted.
- 15. **ENTIRE AGREEMENT**: This lease sets forth the entire understanding of the parties, and no modifications may be made hereto except by written addendum signed by the parties. This lease binds the heirs, personal representatives, successors and legal assigns of all the parties hereto.

IN WITNESS WHEREOF, the parties have executed this lease as of the day, month and year first above written.

This Lease Agreement entered into as of the day and year first written above.

LESSOR

Julie Cozzi, Interim Borough Manager

Haines Borough

**LESSEE** 

Alissa Henry, Board President

Chilkat Valley Preschool

Attest:

Michelle L. Webb, Interim Clerk

OCTOBER 1

EOFA

## Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-538
Assembly Meeting Date: 2/10/15

			Assembly	weeting Date: 2/10/13	
Business Item Des	cription:		Attachments:		
Subject: Foreclosed Prop	perty Recently Deeded E	Back	1. Ordinance 15-01-3	397 - Draft	
to the Borough - Classify for Sale		Planning Commission Recommendation     Recommendation     Recommendation			
Originator:			4. Court Deed		
Lands Manager	+.		5. HBC 3.74.220 and	HBC 14.20.040	
Originating Departmen Lands-Assessment	ι.				
Date Submitted:					
12/18/2014					
Full Title/Motion:					
Motion: Advance Ordinan	ce 15-01-397 to a secor	nd publi	ic hearing on 2/24/15.		
Administrative Rec	ommendation:				
		e. It ha	s been reviewed & vet	ted by other staff members.	
Fiscal Impact:				Drainstad Impact to Euturo	
Expenditure Required	Amount Budgeted	Appr	opriation Required	Projected Impact to Future Operating Budgets	
\$ Cost of Advertising	\$ n/a	\$ n/a	ı	Property Back on the Tax Roll	
		•			
Comprehensive Pla Comp Plan Goals/Object		eview	<b>':</b> 		
Page 60; Goal 5 Page 199	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		Consistent: ■Yes	□No	
, o					
Summary Stateme	nt:				
_		nroce	ss and the court has co	onveyed all rights, titles, and interest	
to the Haines Borough. HB	C 3.74.220 requires the	borou	gh assembly to determi	ine by ordinance whether foreclosed	
				HBC 14.20.040 says the assembly	
planning commission cons				public meeting on 12/18/14, the end it be sold.	
Referral:					
Referred to:			Referral Date:		
Recommendation:				leeting Date:	
				5	
Assembly Action:					
Meeting Date(s): 1/27/1	5, 2/10/15		Public Hearing Dat	e(s):	
			Postponed to Date		

#### HAINES BOROUGH ORDINANCE No. 15-01-397



An Ordinance of the Haines Borough determining whether a foreclosed property deeded to the borough shall be retained for a public purpose or sold.

**WHEREAS**, a delinquent property tax lien resulted in foreclosure of the following parcel within the Haines Borough (First Judicial District, State of Alaska):

3-MLR-00-0110 – Portion NE ¼, NW ¼, Section 26, Township 28 South, Range 55 East, Copper River Meridian, Haines Recording District (5.94 Acres) - John Stefanski, last owner of record: and

**WHEREAS**, on November 4, 2014, the Court of the State of Alaska issued a judgment finalizing the foreclosure and conveying all rights, titles, and interest in the real property by "clerk's deed" to the Haines Borough; and

**WHEREAS**, the parcel is now Haines Borough property, and HBC 14.20.040 provides that borough lands may be classified for sale by the assembly with the advice of the planning commission to discuss any such classification and designation before making any recommendations to the assembly; and

WHEREAS, following discussion of the parcel during a public meeting on December 18, 2014, the planning commission decided to recommend the parcel be sold; and

**WHEREAS**, HBC 3.74.220 requires the borough assembly determine by ordinance whether foreclosed property deeded to the borough shall be retained for a public purpose; and

**WHEREAS**, foreclosed properties conveyed to the borough and not required for a public purpose may be sold provided the borough assembly, by ordinance, determines that a public need for the properties does not exist,

**NOW, THEREFORE BE IT RESOLVED** the Haines Borough Assembly determines the aforementioned parcel is not required for a public purpose and may be sold according to HBC 14.20.

Section 1. Classification. This ordinance is a non-code ordinance.

Date of Second Public Hearing:

- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. <u>Effective Date</u>. This ordinance shall become effective immediately upon adoption.

Section 4. <u>Purpose</u>. To determine whether foreclosed properties deed to the borough shall be retained for a public purpose.

	tuted quorum of t 015.	he Haines Borough Assembly on this	day of
Attest:		Janice Hill, Mayor	_
Julie Cozzi, MMC, Boroug	h Clerk		
Date Introduced:	01/27/15		

DATE: December 18, 2014

TO: Haines Borough Assembly

FROM: Haines Borough Planning Commission

## PLANNING COMMISSION DECISION:

#### Motion:

**Venables** moved to "recommend the Assembly classify the foreclosed property for sale." **Turner** seconded it. The motion passed unanimously.

### **RATIONALE:**

The subject property is located at approximately 26-mile Haines Highway. Delinquent property tax liens resulted in foreclosure the property. The commission determined that getting the property back on the tax roll is in the best interest of the Borough.

SUBMITTED BY \_\_\_\_\_\_ (signat

Planning Commission Chair





## Memo

Date: 12/12/2014

To: Planning Commission

Cc: Xi Cui, Planning & Zoning Tech III

From: Dean Olsen, Assessor

Re: Foreclosed Property account # 3-MLR-00-0110 (Formerly owned by John Stefanski)

The subject property has a legal description of, *A PORTION--NE 1/4, NW 1/4, SEC. 26, T28S, R55E, CRM*, 5.94 Acres. Located at approximately 26 mile Haines Highway, this parcel has limited building sites for construction of a residential building. Approximately two thirds of the land is very wet which restricts usability; however, the land that appears to be suitable for construction of a residence is very close to the Haines Highway which provides good access directly to a potential building site.

Currently, the subject property has an assessed value of \$44,500. The market value of vacant land in this area has been on the decline since the last noticeable increase in 2008. An updated assessed value of vacant land in this neighborhood that will be used for the 2015 tax roll is not available at this time. Haines Borough Staff recommends classifying this property for sale.

Below is a "Google Earth" street view of the subject property. Let me know if I can be of further assistance.

Dean Olsen Assessor, Haines Borough Land Department



Subject property located at approximately 26 mile Haines Highway.





0 150 300 600 900 1,200 Feet





Charles Cacciola, AK. Bar. No. 1306045 AK Bar No. 1205019 BOYD, CHANDLER & FALCONER, LLP 911 W. 8th Avenue, Suite 302 Anchorage, AK 99501 (907) 272-8401

Attorneys for Haine's Borough

## IN THE SUPERIOR COURT FOR THE STATE OF ALASKA

#### FIRST JUDICIAL DISTRICT AT JUNEAU

In the Matter of 2008 through		)	
2010 Delinquent Real Property	**	)	
Taxes Owed to the Borough of		)	Case No. 1JU-13-00527 CI
Haines, Alaska		)	•
		1	

#### **CLERK'S DEED**

Upon this Court's Judgment and Decree of Foreclosure of Real Property Tax Liens entered in Case No. 1JU-13-00527 CI,

IT IS HEREBY ORDERED that all rights, title, and interest of the former owner of the below-listed property is hereby conveyed, to the Borough of Haines, Alaska, P.O. Box 1209, Haines, Alaska 99827:

> Portion NE 1/4, NW 1/4, Section 26, Township 28 South, Range 55 East, Copper River Meridian

as specified by Book 32, Page 965-966, Haines Recording District, First Judicial District, Alaska.

Dated this 4 day of November, 2014.

By: Sharon Herderodon

CLERK'S DEED ITMO 2008-2010 Delinquent Real Property Taxes, 1JU-13-00527 CI Page 1 of 1

Certification of Distribution Soyd Chandler Via Via

### HBC 3.74.220 Disposition and sale of foreclosed property.

- A. The borough shall determine by ordinance whether foreclosed property deeded to the borough shall be retained for a public purpose. The ordinance shall contain the legal description of the property, the address or a general description of the property sufficient to provide the public with notice of its location, and the name of the last record owner of the property as the name appears on the assessment rolls.
- B. Tax-foreclosed property conveyed to the borough by tax foreclosure and not required for a public purpose may be sold. Before the sale of tax-foreclosed property held for a public purpose, the borough, by ordinance, shall determine that a public need does not exist. The ordinance shall contain the information required under subsection (A) of this section.
- C. The assessor shall send a copy of the published notice of hearing of an ordinance to consider a determination required under subsections (A) or (B) of this section by certified mail to the former record owner of the property that is the subject of the ordinance. The notice shall be mailed within five days after its first publication and shall be sufficient if mailed to the last record owner of the property as the name appears on the assessment rolls.
- D. The provisions of subsection (C) of this section do not apply with respect to property that has been held by the borough for a period of more than 10 years after the close of the redemption period.

### 3.74.230 Repurchase by record owner.

- A. The record owner at the time of tax foreclosure of property acquired by the borough, or the assigns of that record owner, may, within 10 years and before the sale or contract of sale of the tax-foreclosed property by the borough, repurchase the property. The borough shall sell the property to the record owner or assigns for the full amount applicable to the property under the judgment and decree, plus:
- 1. Interest at the rate established in HBC  $\underline{3.74.040}$ (A), from the date of entry of the judgment of foreclosure to the date of repurchase;
- 2. Delinquent taxes assessed and levied as though it had continued in private ownership; and
- 3. Costs of foreclosure and sale.
- B. After adoption of an ordinance providing for the retention of tax-foreclosed property by the borough for a public purpose, the right of the former record owner under subsection (A) of this section to repurchase the property ceases.

#### 3.74.240 Proceeds of tax sale.

A. If foreclosed property lies within the townsite service area, on the sale of such property, the borough shall divide the proceeds less cost of collection between the borough general fund and

the townsite service area fund having unpaid taxes against the property. The division shall be in proportion to the respective municipal taxes against the property at the time of foreclosure.

B. If tax-foreclosed property that has been held by the borough for less than 10 years after the close of the redemption period and never designated for a public purpose is sold at a tax-foreclosure sale, the former record owner is entitled to the portion of the proceeds of the sale that exceeds the amount of unpaid taxes, penalties, interest, and costs to the borough of foreclosing and selling the property, and the amount equal to taxes that would have been assessed and levied after foreclosure if the property had continued in private ownership. If the proceeds of the sale of tax-foreclosed property exceed the total of unpaid and delinquent taxes, penalty, interest, and costs, the borough shall provide the former owner of the property written notice advising of the amount of the excess and the manner in which a claim for the balance of the proceeds may be submitted. Notice is sufficient under this subsection if mailed to the former record owner at the last address of record of the former record owner. On presentation of a proper claim, the borough shall remit the excess to the former record owner. A claim for the excess filed after six months of the date of sale is forever barred.

#### 14.20.040 Classification of lands for sale.

- A. Borough lands may be classified for sale by the assembly with the advice of the planning commission.
- B. No land which the borough owns or has an interest in shall be sold until it has first been classified for sale and a use designated.
- C. The assembly may require that there be no use of any land, or interest in land, other than permitted by its designation, unless the written approval of the assembly is obtained.
- D. Public meetings shall be held by the planning commission to discuss any such classification and designation before making any recommendation to the assembly. All adjacent property owners of the parcel to be classified shall be notified, in writing, of the public meetings.
- E. Designation of a use of any land shall not conflict with any existing valid zoning regulations and shall be in keeping with the borough comprehensive plan.
- F. The borough does not warrant by its classification, designation or sale of land that the land is suited for the use authorized under said classification, designation or sale and no guaranty is given or implied that it shall be profitable to employ the land to said use.

## Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-537
Assembly Meeting Date: 2/10/15

			Assembly	weeting bate. =
Business I tem Des	<del>-</del>		Attachments:	
Subject: Clarify the Criter	ria for Temporary Reside	nce	1. Ordinance 15-01-3	398 - Draft Commission Recommendation
Permits			]	
Originator: Planning Commission				
Originating Departmen	t:			
Date Submitted: 12/18/2014				
Full Title/Motion:				
Motion: Advance Ordinan	ce 15-01-398 to a second	d publi	c hearing on 2/24/15.	
Administrative Rec	commendation:			
		e. It ha	s been reviewed & vet	ted by other staff members.
Fiscal Impact:				
Expenditure Required	Amount Budgeted	Appr	opriation Required	Projected Impact to Future Operating Budgets
\$ none	\$ n/a	\$ n/a	ı	n/a
Comprehensive Pla	an Consistency Re	view	7•	
Comp Plan Goals/Object		VICVV	•	
Page 60; Goal 5 Page 199			Consistent: ■Yes	□No
Summary Stateme	nt:			
mobile home or RV on their could create an untenable (PC) with the purpose of clameetings and several staff borough assembly. Subse	ir properties even for one situation for the Borough arifying the criteria for ter redrafts, the ordinance we quent to the PC's recommend found no conflicts with the properties of the properti	day. The day	This is not currently ent drafted an ordinance to ry residence permits, Conveloped into the version ation, borough staff con	ermit if desiring to occupy a trailer, forced and if attempted at this point, to take to the planning commission over the course of four different PC in the PC now recommends to the ducted a thorough review of the the borough manager supports the
Referred to			Deferral Deter	
Referred to: Recommendation:			Referral Date:	leeting Date:
1.000mmondation.			IV	looking bato.
Assembly Action:				
Meeting Date(s): 1/27/1	5, 2/10/15		Public Hearing Date Postponed to Date	



An Ordinance of the Haines Borough amending Haines Borough Code Title 18 Subsection 18.60.020(H) to clarify the criteria for temporary residence permits.

#### BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

- Section 1. <u>Classification</u>. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.
- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. <u>Effective Date</u>. This ordinance is effective upon adoption.
- Section 4. <u>Amendment of Subsection 18.60.020(H)</u>. Subsection 18.60.020(H) of the Haines Borough Code is hereby amended as follows:

NOTE: **Bolded**/<u>UNDERLINED</u> ITEMS ARE TO BE ADDED STRIKETHROUGH ITEMS ARE DELETED

#### HBC 18.60.020 Specific approval criteria.

The following uses are subject to the preceding general criteria and these additional specific approval criteria:

. . .

- H. Temporary Residence. Persons desiring to place a temporary residence, or a trailer or mobile home outside of a mobile home or RV park in the townsite service area for a temporary or interim occupancy over 15 days, shall apply for a temporary residence permit. Permits for seven days or less will be at no charge and will not require connection to or payment for public water and sewer. Temporary residences remaining over 30 days will require a land use permit and where applicable, the standard monthly water and sewer charges will be levied, except by prior arrangement with the borough. The intent of a temporary residence permit is to allow a temporary structure for residential use. This means one trailer, RV or mobile home may be occupied during construction of a permanent residence. A temporary residence permit may be granted if all the following requirements are met:
- 1. A valid land use permit for the permanent residence must be in effect during the entire time that the temporary dwelling is located on the site;
- 2. A trailer, RV or mobile home used as a temporary dwelling during the construction of a permanent residence must be located on the same lot or parcel;
- 3. The temporary dwelling must be transported to a sanitary dump station as needed to empty gray water and toilet waste tanks, be connected to public water and sewer if applicable, or be serviced by an approved DEC on-site wastewater system;
- 4. The temporary dwelling must meet the same setbacks applicable to permanent structures;
- <u>5.</u> Temporary residence permits may be granted for a period of one year. One sixmonth extension of the temporary residence/trailer permit may be granted by the planning commission as long as the developer is complying with all requirements-; Any temporary residence, trailer, recreational vehicle or mobile home being occupied by a person must be connected to public water and sewer and may be required to connect to the local electrical

#### Haines Borough Ordinance No. 15-01-398 Page 2 of 2

service. Garbage disposal facilities are required. A minimum of one off-street parking space will be required for a temporary residence.

<u>6.</u> The area surrounding the temporary residence/trailer shall be kept in a clean and sanitary condition.

Exception: a temporary residence may be occupied on private property located outside of a mobile home or RV park while remodeling or repairing the interior of an existing permanent residence. Any applicable requirements under this subsection shall apply.

ADOPTED BY A DULY CON	ISTITUTED QUORUM	OF THE HAINES BOROUGH ASSEMBLY THIS
DAY OF, 2015	).	
ATTEST:		Janice Hill, Mayor
Julie Cozzi, MMC, Borough	n Clerk	
Date Introduced: Date of First Public Hearing:	01/27/15 02/10/15	
Date of First Public Hearing:  Date of Second Public Hearing:	//	



DATE: December 18, 2014

TO: Haines Borough Assembly

FROM: Haines Borough Planning Commission

Re: Temporary Residence in HBC 18.60.020(H)

#### PLANNING COMMISSION ACTION:

M/S Turner moved to "recommend the Assembly adopt the proposed draft ordinance to amend Haines Borough Code 18.60.020(H)". The motion carried 5-1 with Venables opposed.

#### RATIONALE:

The current code requires property owners to apply for a temporary residence permit if desiring to occupy a trailer, mobile home or RV on their properties even for one day. This is not currently enforced and if attempted at this point, could create an untenable situation for the Borough. Staff drafted an ordinance with the purpose of clarifying the terms of temporary residence permits, and presented it to the commission at the August 14, 2014 meeting.

During the discussion, the commissioners realized there are other problems in this section of code, such as a requirement on utility connections, and clarification on the time limit of temporary residence permits. Also, the commissioners discussed the intent of a temporary residence permit. They believe it mainly applies to the property owners who live in an RV/trailer/mobile home while building their permanent residences, but it seems to also apply to the seasonal workers/summer residents who live in an RV/trailer/mobile home for a few months. Questions were brought up if temporary residence permits shall be only permitted for construction purposes. Staff revised the ordinance based on the comments from the commission, and presented it to the commission at the September 11, 2014 meeting.

During the discussion, several commissioners spoke out against allowing temporary residence permits to be granted for vacation purposes on private property within the townsite service area. People who desire to live in RVs can choose to stay in RV parks. Lende stated it will be an economic problem if the Borough allows temporary dwellings to be occupied on vacant private properties, which will cause low occupancy of designated RV parks. Hedden spoke in favor of Lende's idea. He said this is a planning

issue. In order to protect the integrity of neighborhoods, he believes it is the right thing to disallow that.

At the November 11, 2014 meeting, staff pointed out there are special circumstances that should be reconsidered. For instance, a temporary residence shall be allowed on private property located outside of a mobile home or RV park while remodeling or repairing the interior of an existing permanent residence.

During the discussion, the commissioners agreed these circumstances need to be addressed. Staff revised the ordinance again, and presented it to the commission at the December 18, 2014 meeting. All commissioners spoke in favor of the revised ordinance except Venables. He stated he would like to see more exceptions that will allow property owners to temporarily occupy an RV or mobile home on private properties as a conditional use.

## <u>PLANNING COMMISSION REQUEST</u>: for the Borough Assembly to amend HBC 18.60.020(H) to read:

- H. Temporary Residence. Persons desiring to place a temporary residence, or a trailer or mobile home outside of a mobile home or RV park in the townsite service area for a temporary or interim occupancy over 15 days, shall apply for a temporary residence permit. Permits for seven days or less will be at no charge and will not require connection to or payment for public water and sewer. Temporary residences remaining over 30 days will require a land use permit and where applicable, the standard monthly water and sewer charges will be levied, except by prior arrangement with the borough. The intent of a temporary residence permit is to allow a temporary structure for residential use. This means one trailer, RV or mobile home may be occupied during construction of a permanent residence. A temporary residence permit may be granted if all the following requirements are met:
- 1. A valid land use permit for the permanent residence must be in effect during the entire time that the temporary dwelling is located on the site;
- 2. A trailer, RV or mobile home used as a temporary dwelling during the construction of a permanent residence must be located on the same lot or parcel;
- 3. The temporary dwelling must be transported to a sanitary dump station as needed to empty gray water and toilet waste tanks, be connected to public water and sewer if applicable, or be serviced by an approved DEC on-site wastewater system;
- 4. The temporary dwelling must meet the same setbacks applicable to permanent structures;
- <u>5.</u> Temporary residence permits may be granted for a period of one year. One six-month extension of the temporary residence/trailer permit may be granted by the planning commission as long as the developer is complying with all requirements. Any temporary residence, trailer, recreational vehicle or mobile home being occupied by a person must be connected to public water and sewer and may be required to connect to the local electrical service. Garbage disposal facilities are required. A minimum of one off-street parking space will be required for a temporary residence.
- <u>6.</u> The area surrounding the temporary residence/trailer shall be kept in a clean and sanitary condition.

Exception: a temporary residence may be occupied on private property located outside of a mobile home or RV park while remodeling or repairing the interior of an existing permanent residence. Any applicable requirements under this subsection shall apply.

\_\_\_\_\_ (signature)

SUBMITTED BY \_\_\_

Rob Goldber

Planning Commission Chairman

Draft

## HAINES BOROUGH, ALASKA

ORDINANCE No. xx-xx-xxx

## AN ORDINANCE OF THE HAINES BOROUGH AMENDING HAINES BOROUGH CODE TITLE 18 SECTION 18.60.020(H) TO CLARIFY THE TERMS OF TEMPORARY RESIDENCES

#### BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. <u>Classification</u>. This ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.

Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 4. <u>Purpose</u>. This ordinance amends Title 18 Section 18.60.020(H) to clarify the terms of temporary residences.

NOTE: **Bolded**/<u>UNDERLINED</u> ITEMS ARE TO BE ADDED STRIKETHROUGH ITEMS ARE DELETED

#### HBC 18.60.020 Specific approval criteria.

The following uses are subject to the preceding general criteria and these additional specific approval criteria:

. . .

- H. Temporary Residence. Persons desiring to place a temporary residence, or a trailer or mobile home outside of a mobile home or RV park in the townsite service area for a temporary or interim occupancy over 15 days, shall apply for a temporary residence permit. Permits for seven days or less will be at no charge and will not require connection to or payment for public water and sewer. Temporary residences remaining over 30 days will require a land use permit and where applicable, the standard monthly water and sewer charges will be levied, except by prior arrangement with the borough. The intent of a temporary residence permit is to allow a temporary structure for residential use. This means one trailer, RV or mobile home may be occupied during construction of a permanent residence. A temporary residence permit may be granted if all the following requirements are met:
- 1. A valid land use permit for the permanent residence must be in effect during the entire time that the temporary dwelling is located on the site;
- 2. A trailer, RV or mobile home used as a temporary dwelling during the construction of a permanent residence must be located on the same lot or parcel;

- 3. The temporary dwelling must be transported to a sanitary dump station as needed to empty gray water and toilet waste tanks, be connected to public water and sewer if applicable, or be serviced by an approved DEC on-site wastewater system;
- 4. The temporary dwelling must meet the same setbacks applicable to permanent structures;
- 5. Temporary residence permits may be granted for a period of one year. One six-month extension of the temporary residence/trailer permit may be granted by the planning commission as long as the developer is complying with all requirements. Any temporary residence, trailer, recreational vehicle or mobile home being occupied by a person must be connected to public water and sewer and may be required to connect to the local electrical service. Garbage disposal facilities are required. A minimum of one off street parking space will be required for a temporary residence.
- **6.** The area surrounding the temporary residence/trailer shall be kept in a clean and sanitary condition.

Exception: a temporary residence may be occupied on private property located outside of a mobile home or RV park while remodeling or repairing the interior of an existing permanent residence. Any applicable requirements under this subsection shall apply.

#### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-543
Assembly Meeting Date: 2/10/15

<b>Business Item Description:</b>	Attachments:
Subject: Water-Sewer Rate Adjustments and Schedule	
Readoption	2. 1/22/15 Memo from the Finance Director 3. GAS Committee Recommendation
Originator: Borough Manager	Document showing proposed changes compared with existing rates
Originating Department: Administration	Water Fund 3-year Budget Projection     Sewer Fund 3-year Budget Projection
Date Submitted: 1/19/15	7. Proposed Substitute Ordinance
Full Title/Motion:	

Motion: Substitute Ordinance 15-01-399 in its entirety with the draft recommended by the Mayor and schedule a second public hearing on 2/24/15.

#### **Administrative Recommendation:**

The borough manager recommends adoption.

Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	Projected Impact to Future Operating Budgets
\$0	\$0	\$ 0	TBD

Comprehensive Plan Consistency Review	<b>':</b>		
Comp Plan Goals/Objectives:			
Objective 15A, Page 252	Consistent:	■Yes	□No

#### **Summary Statement:**

The proposed rate schedule is the result of several months of meetings and data collection. A staff working group made up of the manager, finance director, facility director, and water & sewer operator developed the proposal which was reviewed and recommended by the Government Affairs & Services Committee earlier this year.

The current rate structure does not allow the utilities to cover current operating costs or contribute to a repair and replacement reserve. Much of the infrastructure is nearing the end of its useful life. Additionally, in FY14, the sewer fund failed to meet its rate covenant per the borough's loan agreement with the Alaska Municipal Bond Bank.

Postponed to Date:

#### Referral:

Referred to: Government Affairs & Services Committee Referral Date:

Recommendation: Increase rates over 3 years to come into compliance Meeting Date:

Assembly Action:	
Meeting Date(s): 1/27/15, 2/10/15	Public Hearing Date(s):

#### HAINES BOROUGH, ALASKA ORDINANCE No. 15-01-399



An ordinance of the Haines Borough adopting a new water-sewer rate schedule to set rates, fees and charges for water and sewer services.

**WHEREAS**, the Haines water and sewer systems are operated and maintained by the Haines Borough; and

**WHEREAS**, the Borough Assembly establishes rates and fees for Haines Borough water and sewer services; and

WHEREAS, Haines Borough Code, section 2.12.020(J), requires regulation of the rate charged by a public utility to be done by ordinance; and

**NOW THEREFORE BE IT ENACTED**, by the Haines Borough Assembly, that the following water-sewer schedule is hereby adopted by ordinance.

- Section 1. Classification. This ordinance is a non-code ordinance.
- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. Effective Date. This ordinance shall become effective on May 1, 2015.
- Section 4. <u>Repealer</u>. This ordinance repeals all water-sewer rate schedules adopted prior to the adoption of this ordinance.
- Section 5. <u>Purpose</u>. To readopt the water-sewer rate schedule and set new rates, fees and charges for water and sewer services.

ADOPTED BY A DULY CONSTITUTED QUOI, 2015.	RUM OF THE HAINES BOROUGH ASSEMBLY TH	S
	Janice Hill, Mayor	
ATTEST:		
Julie Cozzi, MMC, Borough Clerk		
Date Introduced: 01/27/15 Date of First Public Hearing: / /		

Date of Second Public Hearing: \_\_/\_\_/\_

## Haines Borough – Water-Sewer Rate Schedule (See HBC Title 13 for regulations and more information)

## **DRAFT**

Effective Date:	05/01/2015		07/01/2016		07/01/2017	
	WATER	SEWER	WATER	SEWER	WATER	SEWER
Unmetered Residential Service						
Base/Service Charge	\$22.05	\$37.65	\$23.31	\$39.47	\$24.60	\$41.21
Minimum Usage Charge	\$12.95	\$10.00	\$13.69	\$10.48	\$14.45	\$10.94
Residential Flat Rate	\$35.00	\$47.65	\$37.00	\$49.95	\$39.05	\$52.15
Total Monthly Flat Rate for Water-Sewer	Service:	\$82.65	\$86	5.95	\$91	.20
3/4" Metered Commercial Service						
Base/Service Charge	\$20.60	\$36.10	\$21.86	\$37.92	\$23.15	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
¾" Commercial Rate	\$32.70	\$45.70	\$34.70	\$48.00	\$36.75	\$50.20
Total Monthly Rate for 3/4"Water-Sewer Se	ervice*:	\$78.40	\$82	2.70	\$86	.95
1" Metered Commercial Service*						
Base/Service Charge	\$30.90	\$36.10	\$32.79	\$37.92	\$34.73	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
1" Commercial Rate	\$43.00	\$45.70	\$45.63	\$48.00	\$48.33	\$50.20
Total Monthly Rate for Water-Sewer Serv	ice*:	\$88.70	\$93	3.63	\$98	3.53
1½" Metered Commercial Service	*					
Base/Service Charge	\$41.20	\$36.10	\$43.72	\$37.92	\$46.30	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
1 ½" Commercial Rate	\$53.30	\$45.70	\$56.56	\$48.00	\$59.90	\$50.20
Total Monthly Rate for Water-Sewer Serv	ice*:	\$99.00	\$10	4.56	\$110	0.10
2" Metered Commercial Service*						
Base/Service Charge	\$51.50	\$36.10	\$54.65	\$37.92	\$57.88	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
2" Commercial Rate	\$63.60	\$45.70	\$67.49	\$48.00	\$71.48	\$50.20
Total Monthly Rate for Water-Sewer Serv	ice*:	\$104.18	\$11	5.49	\$12	1.68
3" Metered Commercial Service*						
Base/Service Charge	\$82.40	\$36.10	\$87.44	\$37.92	\$92.60	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
3" Commercial Rate	\$94.50	\$45.70	\$100.28	\$48.00	\$106.20	\$50.20
Total Monthly Rate for Water-Sewer Serv	ice*:	\$140.20	\$14	8.28	\$15	6.40
					1	

<sup>\*</sup>Includes the first 5,000 gallons of water used per month

#### Haines Borough Ordinance No. 15-01-399 Page 3 of 4

Effective Date:	05/01	/2015	07/01	/2016	07/01	/2017
Extra Gallonage Charge:	WATER	<u>SEWER</u>	WATER	<u>SEWER</u>	WATER	<u>SEWER</u>
Each 1,000 gals or fraction thereof used after the minimum usage charge	\$2.33	\$6.38	\$2.44	\$6.69	\$2.55	\$7.00

Note: If a commercial service includes residential dwellings, an additional 5,000 gals is allowed for each dwelling, covered by the residential flat rate charge as defined in HBC 13.04.240.

Monthly Surcharge for Crystal Cathedrals Special Assessment District

	WATER	SEWER
Commercial / Residential Surcharge	\$10.05	\$6.15
Total Combined Surcharge for Water-Sew	\$16.20	

**Application Fees** 

Water and/or Sewer Connection fee (non-refundable service charge)	\$50.00
Subdivision application for five or more services (nonrefundable service charge)	\$150.00
Other Agency Permit Fee (nonrefundable)	Actual Cost of the Permit plus \$50 administrative charge

**Hook-Up Fees** 

	WATER	SEWER
Minimum Hook-Up Fee (upon completion applicant will be billed for costs in excess of the minimum)	\$750.00	\$650.00
Inspection Fee per Hook-Up	\$100.00	\$100.00
Additional Water Main Extension Inspection Fee		
~First 100 Feet	\$25.00	\$25.00
~Each Additional Foot	\$0.25	\$0.25

**Expansion Charges** 

Expansion charges			
		WATER	SEWER
Size of Water Service Line	Capacity (GPM)	Expansion Charges	Expansion Charges
3/4" - 1"	8 – 15	\$450.00	\$500.00
1-1/2"	45	\$1,030.00	\$1,040.00
2"	80	\$1,830.00	\$2,030.00
4"	500	\$7,300.00	\$8,120.00

**Miscellaneous Water Fees and Charges** 

<u> </u>	
Meter Installation Fee	\$100.00
Meter Inspection Fee	\$40.00
Meter Testing Fee	Actual cost +15%
Frost Bottom Replacement	\$50.00
Control Valve Shut-off or Turn-on     ~Minimum service fee (if water is off for less than 3 months)     ~Excess fees, if necessary     ~Seasonal Turn-ons and turn-offs (if water is off for 3 months or more)	\$35.00 \$45/hour \$85.00

### Haines Borough Ordinance No. 15-01-399 Page 4 of 4

Commercial Bulk Water Purchase ~Per 1,000 gallons ~Service Charge	\$5.00 \$50.00
Note: Commercial bulk water charges apply to fire hydrants, Port Chilkoot Dock, and Small Boat Harbor.	
Residential Bulk Water Purchase ~Seasonal Bulk Water Permit (fill at sewer plant only)	\$30.00
After Hours Employee Call-Out	\$125.00
Deposits and Credit Establishment ~Residential Water Account	An amount equaling two months of the residential flat fee for water service
~Commercial Water Account	An amount equaling an estimate of two months' water service charges based on like accounts already in service.
Unauthorized Water Turn On	
~Charge to Shut Off Water at the Main or Remove Meter	Actual cost to the water department plus 15% overhead

**Miscellaneous Sewer Fees and Charges** 

Miscellaricous Sewer rees and charges	
Termination or Restoration of Sewer Service ~Minimum Service Charge (nonrefundable)	Actual cost +15%
Deposits and Credit Establishment ~Residential Sewer Account ~Commercial Sewer Account	A sum equal to the established bill for two months' service but not less than \$40.
	An amount equaling like accounts in service.
Septic Waste Disposal (at sewage plant only)  ~Per Load of Up to 500 Gals of Waste  ~Single Loads in Excess of 500 Gals	\$100 minimum \$20.00 for each 100 gals excess or fraction thereof
After Hours Employee Call-Out	\$125.00
RV Dump Stations  ~Monthly Flat Rate in Addition to Any Other Water and Sewer Charges	\$60.00
RV Parks	Same as Metered Commercial Charges

## Memo

To: Haines Borough Mayor & Assembly

From: Jila Stuart, Chief Financial Officer

Cc: Dave Sosa, Borough Manager

Date: January 22, 2015

Re: Ordinance #15-01-399 Revision to Water & Sewer Rate Schedule



#### Background:

The current rate structure does not allow the utilities to cover current operating costs or contribute to a repair and replacement reserve. Much of the infrastructure is nearing the end of its useful life. Additionally, in FY14 the sewer fund failed to meet its rate covenant per the borough's loan agreement with the Alaska Municipal Bond Bank. If the sewer fund does not come into compliance with the rate covenant future funding will be jeopardized.

The wastewater treatment plant has exceeded its useful life expectancy and the building has major structural deficiencies. If we do not raise rates, the utilities will not have the resources to maintain their operations over the long and possibly short term. According to the Manager's working group on water and sewer rates, this could result in a degradation of capability possibly leading to lower water quality, inappropriately treated sewage, a threat to public health, threat of environmental pollution, increased odor, a dangerous operating environment for employees, structural failure, and EPA fines.

Unfortunately State funding for repairs is drying up. The State of Alaska DEC's Municipal Matching Grant program has dropped from \$32 million in FY13, to \$21 million in FY14, \$14 million in FY15, and \$10 million for FY16. With oil prices hovering near \$50 a barrel we cannot hope for any immediate relief from the State. With the loss of outside funding the utilities need to strive to become more self sustaining by setting rates that will allow for long term preservation of the infrastructure.

#### **Proposal:**

The proposed rate schedule is the result of several months of meetings and data collection. A staff working group made up of the Manager, Finance Director, Facility Director, and Water & Sewer Operator developed the proposal which was reviewed and recommended by the GAS committee earlier this month. The proposed schedule:

- Increases combined water and sewer rates approximately 5% per year for the next 3 years. The combined water and sewer rate for the unmetered residential customers would go from \$78.40 today to \$91.20 in July 2018.
- Eliminates the metered residential rate. Those customers currently billed as metered residential would be switched to flat rate residential.
- Reduces the Crystal Cathedrals Surcharge by \$1.75 to reflect the increased number of rate payers paying the assessment.
- Assumes a \$40 increase in the seasonal turn-on turn-off fee to reflect fixed costs to the utility that don't decrease when the valve is turned off.
- Adjusts rates for hook-up fees and other miscellaneous charges to reflect the actual cost of those services.
- Would bring the Sewer fund back into compliance with the bond bank's rate covenant.
- Assumes an annual \$10,500 subsidy from the CIP fund to help pay debt service for capital improvement projects in the water fund.
- Assumes a small, annual transfer (\$6,000-8,000) from the Commercial Passenger Vessel Tax fund to the Water fund to reflect the full cost of water consumed by the large cruise ships.
- Assumes annual inflation for expenditures between 2 and 3% for the utilities.
- Falls short of adequately funding needed repairs to the wastewater treatment plant.
- Covers projected cash expenditures and makes a small contribution to a repair and replacement reserve.
- Would go into effect on May 1, 2015 if approved.

From: DIANA [mailto:lapham@aptalaska.net] Sent: Thursday, January 08, 2015 9:07 AM

To: Julie Cozzi

Cc: daveberry@aptalaska.net

Subject: GAS committee recommendation #3

January 7,2015

Water and Sewer Rate increase. Julie, I'm sorry but I can't find on my IPad the spreadsheet to email to you....we the committee agreed on the Draft proposed 3-year Water and Sewer Increase

Spread impact more evenly over 3 years while coming into compliance with bond bank by the end of FY16

Year 1.....sewer....3.25/ water....1.05/ Total 4.30...av increase...0.054846939 %

Year 2......sewer.....2.30/ water......2.00/ Total 4.30..av increase.....0.054846939 %

Year 3......sewer....2.205/ water......2.086/ Total 4.291...ave increase...0.054728159

We hope that this will make the agenda for the Assembly meeting Jan.13,2015

Also we recommend that a notice be put in the mail to all customers advising them of the rate increase. March and April, and to have the rate increase take effect on May 1,2015

Submitted

Diana Lapham

# **Haines Borough – Water-Sewer Rate Schedule**

(See HBC Title 13 for regulations and more information)

# **Draft**

This document shows the

the existing rates.

proposed changes compared with

2.-Metered Residential Water-Sewer Service 3/4"

	WATER	SEWER
Base/Service Charge	<del>\$21.40</del>	<del>\$14.00</del>
Minimum Usage (up to 4,000 gallons)	<del>\$10.43</del>	<del>\$24.32</del>
Residential Metered Rate(first 4,000 gallons)	<del>\$31.83</del>	<del>\$38.32</del>

Total Combined Monthly Metered Rate for Water-Sewer Service: \$70.15

<del>3.</del>

<b>Unmetered Residential Water-Sew</b>	tive 3/1/201	<b>Effective</b>	7/1/2016	<b>Effective</b>	7/1/2017	
	WATER	SEWER	WATER	<u>SEWER</u>	<u>WATER</u>	<u>SEWER</u>
Base/Service Charge	<del>\$21.40</del> <b>\$22.05</b>	\$14.00 <b>\$37.65</b>	\$23.31	<u>\$39.47</u>	\$24.60	<u>\$41.21</u>
Minimum Usage Charge	<del>\$12.60</del> <b>\$12.95</b>	\$30.40 <b>\$10.00</b>	<u>\$13.69</u>	<u>\$10.48</u>	<u>\$14.45</u>	<u>\$10.94</u>
Residential Flat Rate	\$34.00 <b>\$35.00</b>	<del>\$44.40</del> <b>\$47.65</b>	<u>\$37.00</u>	<u>\$49.95</u>	<u>\$39.05</u>	<u>\$52.15</u>
Total Combined Monthly Flat Rate for Water-Sewer Service: \$78.40 \$82.65			\$86	6.9 <u>5</u>	<u>\$91</u>	.20

5. Metered Commercial Water-Sewer Se	Effective 7	7/1/2016	<b>Effective</b>	7/1/2017				
3/4" Service Line / Meter	WATER	SEWER	WATER	<u>SEWER</u>	<u>WATER</u>	<u>SEWER</u>		
Base/Service Charge	\$20.15 <b>\$20.60</b>	<del>\$13.48</del> <b>\$36.10</b>	<u>\$21.86</u>	<u>\$37.92</u>	<u>\$23.15</u>	<u>\$39.66</u>		
Minimum Usage Charge	\$11.55 <b>\$12.10</b>	<del>\$28.97</del> <b>\$9.60</b>	<u>\$12.84</u>	<u>\$10.08</u>	<u>\$13.60</u>	<u>\$10.54</u>		
¾" Commercial Rate	\$31.70 <b>\$32.70</b>	<del>\$42.45</del> <b>\$45.70</b>	<u>\$34.70</u>	<u>\$48.00</u>	<u>\$36.75</u>	<u>\$50.20</u>		
Total Monthly Rate for the first 5,000 gallons	Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$74.15 <b>\$78.40</b>				<u>\$86</u>	.9 <u>5</u>		
1" Service Line / Meter Base Charge	\$30.23 <b>\$30.90</b>	<del>\$13.48</del> <b>\$36.10</b>	<u>\$32.79</u>	<u>\$37.92</u>	<u>\$34.73</u>	<u>\$39.66</u>		
Minimum Usage Charge	\$11.55 <b>\$12.10</b>	<del>\$28.97</del> <b>\$9.60</b>	<u>\$12.84</u>	<u>\$10.08</u>	<u>\$13.60</u>	<u>\$10.54</u>		
1" Commercial Rate	<del>\$41.78</del> <b>\$43.00</b>	<del>\$42.45</del> <b>\$45.70</b>	<u>\$45.63</u>	\$48.00	<u>\$48.33</u>	<u>\$50.20</u>		
Total Monthly Rate for the first 5,000 gallons	Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$84.23 <b>\$88.70</b>					3.5 <u>3</u>		

# ORDINANCE # 15-01-XXX Page 2

# **Effective 3/1/2015**

**Effective 7/1/2016 Effective 7/1/2017** 

	WATER	SEWER	<u>WATER</u>	<u>SEWER</u>	<u>WATER</u>	<u>SEWER</u>
11/2" Service Line/Meter Base Charge	<del>\$40.30</del> <b>\$41.20</b>	<del>\$13.48</del> <b>\$36.10</b>	<u>\$43.72</u>	<u>\$37.92</u>	<u>\$46.30</u>	<u>\$39.66</u>
Minimum Usage Charge	<del>\$11.55</del> <b>\$12.10</b>	<del>\$28.97</del> <b>\$9.60</b>	<u>\$12.84</u>	<u>\$10.08</u>	<u>\$13.60</u>	<u>\$10.54</u>
1 ½" Commercial Rate	<del>\$51.85</del> <b>\$53.30</b>	<del>\$42.45</del> <b>\$45.70</b>	<u>\$56.56</u>	<u>\$48.00</u>	<u>\$59.90</u>	<u>\$50.20</u>
Total Monthly Rate for the first 5,000 gallons	s of Water-Sewer:	\$ <del>94.30</del> _ <b>\$99.00</b>	<u>\$10</u>	4.5 <u>6</u>	\$110	<u>0.10</u>
2" Service Line/Meter Base Charge	<del>\$50.38</del> <b>\$51.50</b>	<del>\$13.38</del> <b>\$36.10</b>	<u>\$54.65</u>	\$37.92	<u>\$57.88</u>	<u>\$39.66</u>
Minimum Usage Charge	<del>\$11.55</del> <b>\$12.10</b>	<del>\$28.97</del> <b>\$9.60</b>	<u>\$12.84</u>	\$10.08	<u>\$13.60</u>	<u>\$10.54</u>
2" Commercial Rate	<del>\$61.93</del> <b>\$63.60</b>	<del>\$42.45</del> <b>\$45.70</b>	<u>\$67.49</u>	\$48.00	<u>\$71.48</u>	\$50.20
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$104.18 \$104.18		<u>\$11</u> !	5.49	\$12	1.68	
3" Service Line/Meter Base Charge	<del>\$80.60</del> <b>\$82.40</b>	<del>\$13.38</del> <b>\$36.10</b>	\$87.44	\$37.92	<u>\$92.60</u>	<u>\$39.66</u>
Minimum Usage Charge	<del>\$11.55</del> <b>\$12.10</b>	<del>\$28.97</del> <b>\$9.60</b>	\$12.84	\$10.08	\$13.60	<u>\$10.54</u>
3" Commercial Rate	<del>\$92.15</del> <b>\$94.50</b>	<del>\$42.45</del> <b>\$45.70</b>	\$100.28	\$48.00	\$106.20	\$50.20
Total Monthly Rate for the first 5,000 gallons of Water-Sewer: \$134.40 <b>\$140.20</b>			\$148	3.2 <u>8</u>	<u>\$15</u>	<u>6.40</u>

**Effective 3/1/2015** 

Effective 7/1/2016 Effective 7/1/2017

Extra Gallonage Charge: (Each 1,000 gals or fraction thereof used after the minimum usage charge)	\$2.22 \$2.33	Extra Gallonage Charge: (Each 1,000 gals or fraction thereof used after the minimum usage charge)	\$6.08 \$6.38	WATER	<u>SEWER</u>	WATER	<u>SEWER</u>
Note: If a commercial service includes residential dwellings, an additional 5,000 gals is allowed for each dwelling, covered by the residential flat rate charge as defined in HBC 13.04.240.		<u>\$2.44</u>	<u>\$6.69</u>	<u>\$2.55</u>	<u>\$7.00</u>		

6. Monthly Surcharge for Crystal Cathedrals Special Assessment District

	WATER	SEWER
Commercial / Residential Surcharge	<del>\$11.10</del> <b>\$10.05</b>	<del>\$6.85</del> <b>\$6.15</b>

Total Combined Surcharge for Water-Sewer Service: \$17.95 \$16.20

# 7. Application Fees

Water <u>and/</u> or Sewer Connection fee (non-refundable service charge)	\$50.00
Combined Water and Sewer Connection fee (nonrefundable service charge)	\$50.00
Subdivision application for five or more services (nonrefundable service charge)	\$150.00
Other Agency Permit Fee (nonrefundable)	Actual Cost of the Permit plus \$50 administrative charge

# 8. Hook-Up Fees

	WATER	SEWER
Minimum Hook-Up Fee (upon completion applicant will be billed for costs in excess of the minimum)	\$650.00 <b>\$750.00</b>	<del>\$450.00</del> <b>\$650.00</b>
Inspection Fee per Hook-Up	\$100.00	\$100.00
Additional Water Main Extension Inspection Fee		
~First 100 Feet	\$25.00	\$25.00
~Each Additional Foot	\$0.25	\$0.25

# 9. Expansion Charges

		WATER	SEWER
Size of Water Service Line	Capacity (GPM)	Expansion Charges	Expansion Charges
3/4" - 1"	8 – 15	\$450.00	\$500.00
1-1/2″	45	\$1,030.00	\$1,040.00
2"	80	\$1,830.00	\$2,030.00
4"	500	\$7,300.00	\$8,120.00

# 10. Miscellaneous Water Fees and Charges

Meter Installation Fee	<del>\$75.00</del> <b>\$100.00</b>
Meter Inspection Fee	<del>\$25.00</del> <b>\$40.00</b>
Meter Testing Fee 3/4" and smaller Larger than ¾"	<u>Actual cost +15%</u> \$75.00 \$100
Frost Bottom Replacement	\$50.00
Control Valve Shut-off or Turn-on ~Minimum service fee (if water is off for less than 3 months)	\$35.00

# ORDINANCE # 15-01-XXX Page 4

~Excess fees, if necessary	<del>\$40</del> <b>\$45</b> /hour
~Seasonal Turn-ons and turn-offs (if water is off for 3	
months or more)	<del>\$45.00</del> <b>\$85.00</b>
<u>Commercial</u> Bulk Water Purchase	
~Per 1,000 gallons	\$4.50
~Service Charge	\$50.00
Note: <u>Commercial</u> <u>b</u> Bulk water charges apply to fire hydrants, Port Chilkoot Dock, and Small Boat Harbor. <del>The charge does not apply to Lutak Dock.</del>	
Residential Bulk Water Purchase	<del>\$25.00</del> <b>\$30.00</b>
~Seasonal Bulk Water Permit (fill at sewer plant only)	+20.00 <u>+00.00</u>
After Hours Employee Call-Out	<del>\$100.00</del> <b>\$125.00</b>
Deposits and Credit Establishment	An amount equaling two months of the
~Residential Water Account	residential flat fee for water service
~Commercial Water Account	An amount equaling an estimate of two
	months' water service charges based on like
	accounts already in service.
Unauthorized Water Turn On	
~Charge to Shut Off Water at the Main or Remove Meter	Actual cost to the water department plus
	15% overhead (but not less than \$25.00)

11. Miscellaneous Sewer Fees and Charges

The content of the co	
Termination or Restoration of Sewer Service	
~Minimum Service Charge (nonrefundable)	\$35.00 Actual cost +15%
Deposits and Credit Establishment	
~Residential Sewer Account	A sum equal to the established bill for two months'
	service but not less than \$40.
~Commercial Sewer Account	
	An amount equaling like accounts in service.
Septic Waste Disposal (at sewage plant only)	
~Per Load of Up to 500 Gals of Waste	\$100 minimum
~Single Loads in Excess of 500 Gals	\$20.00 for each 100 gals excess or fraction thereof
After Hours Employee Call-Out	\$100.00 <b>\$125.00</b>
RV Dump Stations	
~Monthly Flat Rate in Addition to Any Other	\$53.00 <b>\$60.00</b>
Water and Sewer Charges	
RV Parks	Same as Metered Commercial Charges
INVIGINS	Same as metered commercial charges



# 90 Water Fund 3-Year Budget Projection

	FY15 BUDGET	FY16 DRAFT	FY17 DRAFT	FY18 DRAFT
REVENUES (with proposed rate increases)				
Water Service Revenue	\$ 332,000	\$ 341,600	\$ 361,000	\$ 380,800
Cruise Ship Water Sales	15,000	15,000	15,000	15,000
Miscellaneous Revenue	11,500	14,500	14,500	14,500
Interest Earnings	3,750	3,750	3,750	3,750
Operating Transfer from CPV Tax	-	6,067	7,033	8,100
TOTAL REVENUES	362,250	380,917	401,283	422,150
EXPENDITURES				
Payroll Expense	127,605	131,380	135,279	139,306
Supplies, Postage, M&E	52,900	53,485	54,802	56,852
Professional & Contractual	29,400	25,000	25,625	26,266
Travel, Training, & Dues	3,750	3,840	3,931	4,025
Banking & Insurance	7,180	7,360	7,543	7,732
Vehicle Expense	4,250	4,378	4,509	4,644
Utilities	29,350	30,231	31,137	32,072
Maintenance & Repairs	17,000	17,425	17,861	18,307
Principal	42,872	47,872	47,872	47,872
Interest	11,549	13,549	13,549	13,549
Work Orders	42,500	43,563	44,652	45,768
TOTAL CASH DIRECT EXPENDITURES	368,356	378,081	386,760	396,392
ALLOCATED EXPENSE				
Allocated expense to water dept.	44,898	46,020	47,171	48,350
Allocated expense out from water dept.	(46,050)	(47,201)	(48,381)	(49,591)
TOTAL ALLOCATED EXPENSE	(1,152)	(1,181)	(1,210)	(1,241)
TOTAL CASH EXPENDITURES	367,204	376,900	385,550	395,151
REVENUE OVER (UNDER) CASH EXPENDITURES	(4,954)	4,017	15,733	26,999
DEPRECIATION EXPENSE	234,000	255,000	275,400	297,432
REVENUE OVER (UNDER) EXPENDITURES	\$ (238,954)	\$ (250,983)	\$ (259,667)	\$ (270,433)

Projected annual contribution towards repair & replacement reserve or amount available to pay debt service on new loans for repair/replacement.



# **HAINES BOROUGH**

# 91 Sewer Fund 3-Year Budget Projection

		/15 DGET		FY16 DRAFT	FY17 DRAFT	FY18 DRAFT
REVENUES (with proposed rate increases)						
Sewer Service Revenue	\$ 4	401,000	\$	429,000	\$ 449,500	\$ 467,400
Miscellaneous Revenue		4,850		4,900	5,000	5,100
	4	405,850		433,900	454,500	472,500
EXPENDITURES						
Payroll Expense	\$	77,021	\$	79,337	\$ 81,729	\$ 84,203
Supplies, Postage, M&E		24,500		24,376	24,966	26,271
Professional & Contractual		11,400		8,000	8,160	8,323
Travel, Training, & Dues		4,405		4,505	4,607	4,711
Banking & Insurance		16,250		16,656	17,073	17,499
Utilities		87,750		90,383	93,094	95,887
Maintenance & Repairs		20,000		20,500	20,500	20,500
Principal		44,500		49,500	49,500	49,500
Interest		45,449		43,749	42,511	42,511
Other Miscellaneous Expense		5,250		5,403	5,559	5,721
Work Orders		16,000		16,235	16,474	16,718
	3	352,525		358,643	364,174	371,844
ALLOCATED EXPENSE		58,600		60,065	61,567	63,106
TOTAL CASH EXPENDITURES & ALLOCATED EXPENSE	4	111,125		418,708	425,740	434,950
REVENUE OVER (UNDER) CASH EXPENDITURES & ALLOCATION		(5,275)		15,193	28,760	37,550
Depreciation Expense	2	239,000	/	241,390	363,804	367,442
EXCESS REVENUE OVER (UNDER) EXPENDITURES,	\$ (2	244,275)	\$	(226,198)	\$ (335,044)	\$ (329,892)

Projected annual contribution towards repair & replacement reserve or amount available to pay debt service on new loans for repair/replacement.

# Proposed Substitute Ordinance

# HAINES BOROUGH, ALASKA ORDINANCE No. 15-01-399

**Draft** 

An ordinance of the Haines Borough adopting a new water-sewer rate schedule to set rates, fees and charges for water and sewer services.

**WHEREAS**, the Haines water and sewer systems are operated and maintained by the Haines Borough; and

WHEREAS, the Borough Assembly establishes rates and fees for Haines Borough water and sewer services; and

WHEREAS, Haines Borough Code, section 2.12.020(J), requires regulation of the rate charged by a public utility to be done by ordinance; and

**NOW THEREFORE BE IT ENACTED**, by the Haines Borough Assembly, that the following water-sewer schedule is hereby adopted by ordinance.

- Section 1. Classification. This ordinance is a non-code ordinance.
- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. Effective Date. This ordinance shall become effective on May 1, 2015.
- Section 4. <u>Repealer</u>. This ordinance repeals all water-sewer rate schedules adopted prior to the adoption of this ordinance.
- Section 5. <u>Purpose</u>. To readopt the water-sewer rate schedule and set new rates, fees and charges for water and sewer services.

	ONSTITUTED QUOI , 2015.	RUM OF THE HAINES BOROUGH ASSEMBL	Y THIS
		Janice Hill, Mayor	
ATTEST:			
Julie Cozzi, MMC, Borou	gh Clerk		
Date Introduced: Date of First Public Hearing:	01/27/15 02/10/15		

Date of Second Public Hearing: \_\_/\_\_/\_

# **Haines Borough – Water-Sewer Rate Schedule**

(See HBC Title 13 for regulations and more information)

# **DRAFT**

Effective Date:	05/01/2015		07/01	/2016	07/01/2017	
	WATER	SEWER	WATER	SEWER	WATER	SEWER
Unmetered Residential Service						
Base/Service Charge	\$22.05	\$37.65	\$23.31	\$39.47	\$24.60	\$41.21
Minimum Usage Charge	\$12.95	\$10.00	\$13.69	\$10.48	\$14.45	\$10.94
Residential Flat Rate	\$35.00	\$47.65	\$37.00	\$49.95	\$39.05	\$52.15
Total Monthly Flat Rate for Water-Sewer	Service:	\$82.65	\$86	5.95	\$91	.20
3/4" Metered Commercial Service*						
Base/Service Charge	\$20.60	\$36.10	\$21.86	\$37.92	\$23.15	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
¾" Commercial Rate	\$32.70	\$45.70	\$34.70	\$48.00	\$36.75	\$50.20
Total Monthly Rate for 3/4"Water-Sewer So	ervice*:	\$78.40	\$82	2.70	\$86	.95
1" Metered Commercial Service*						
Base/Service Charge	\$30.90	\$36.10	\$32.79	\$37.92	\$34.73	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
1" Commercial Rate	\$43.00	\$45.70	\$45.63	\$48.00	\$48.33	\$50.20
Total Monthly Rate for Water-Sewer Servi	ice*:	\$88.70	\$93.63		\$98.53	
11/2" Metered Commercial Service	*					
Base/Service Charge	\$41.20	\$36.10	\$43.72	\$37.92	\$46.30	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
1 ½" Commercial Rate	\$53.30	\$45.70	\$56.56	\$48.00	\$59.90	\$50.20
Total Monthly Rate for Water-Sewer Servi	ice*:	\$99.00	\$10	4.56	\$11	0.10
2" Metered Commercial Service*						
Base/Service Charge	\$51.50	\$36.10	\$54.65	\$37.92	\$57.88	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
2" Commercial Rate	\$63.60	\$45.70	\$67.49	\$48.00	\$71.48	\$50.20
Total Monthly Rate for Water-Sewer Serv	ice*:	\$104.18	\$11	5.49	\$12	1.68
3" Metered Commercial Service*						
Base/Service Charge	\$82.40	\$36.10	\$87.44	\$37.92	\$92.60	\$39.66
Minimum Usage Charge	\$12.10	\$9.60	\$12.84	\$10.08	\$13.60	\$10.54
3" Commercial Rate	\$94.50	\$45.70	\$100.28	\$48.00	\$106.20	\$50.20
Total Monthly Rate for Water-Sewer Servi	ice*:	\$140.20	\$14	8.28	\$15	6.40
			<u> </u>		<u> </u>	

<sup>\*</sup>Includes the first 5,000 gallons of water used per month

# Haines Borough Ordinance No. 15-01-399 Page 3 of 4

Effective Date:	05/01/2015		07/01/2016		07/01/2017	
Extra Gallonage Charge:	WATER	<u>SEWER</u>	WATER	<u>SEWER</u>	WATER	<u>SEWER</u>
Each 1,000 gals or fraction thereof used after the minimum usage charge	\$2.33	\$6.38	\$2.44	\$6.69	\$2.55	\$7.00

Note: If a commercial service includes residential dwellings, an additional 5,000 gals is allowed for each dwelling, covered by the residential flat rate charge as defined in HBC 13.04.240.

Monthly Surcharge for Crystal Cathedrals Special Assessment District

	WATER	SEWER
Commercial / Residential Surcharge	\$10.05	\$6.15
Total Combined Surcharge for Water-Sew	\$16.20	

**Application Fees** 

Water and/or Sewer Connection fee (non-refundable service charge)	\$50.00
Subdivision application for five or more services (nonrefundable service charge)	\$150.00
Other Agency Permit Fee (nonrefundable)	Actual Cost of the Permit plus \$50 administrative charge

**Hook-Up Fees** 

	WATER	SEWER
Minimum Hook-Up Fee (upon completion applicant will be billed for costs in excess of the minimum)	\$750.00	\$650.00
Inspection Fee per Hook-Up	\$100.00	\$100.00
Additional Water Main Extension Inspection Fee		
~First 100 Feet	\$25.00	\$25.00
~Each Additional Foot	\$0.25	\$0.25

**Expansion Charges** 

Expansion charges			
		WATER	SEWER
Size of Water Service Line	Capacity (GPM)	Expansion Charges	Expansion Charges
3/4" - 1"	8 – 15	\$450.00	\$500.00
1-1/2″	45	\$1,030.00	\$1,040.00
2"	80	\$1,830.00	\$2,030.00
4"	500	\$7,300.00	\$8,120.00

**Miscellaneous Water Fees and Charges** 

Meter Installation Fee	\$100.00
Meter Inspection Fee	\$40.00
Meter Testing Fee	Actual cost +15%
Frost Bottom Replacement	\$50.00
Control Valve Shut-off or Turn-on  ~Minimum service fee (if water is off for less than 3 months)  ~Excess fees, if necessary  ~Seasonal Turn-ons and turn-offs (if water is off for 3 months or more)	\$35.00 \$45/hour \$85.00

# Haines Borough Ordinance No. 15-01-399 Page 4 of 4

Commercial Bulk Water Purchase ~Per 1,000 gallons ~Service Charge	\$4.50 \$50.00
Note: Commercial bulk water charges apply to fire hydrants, Port Chilkoot Dock, and Small Boat Harbor.	
Residential Bulk Water Purchase ~Seasonal Bulk Water Permit (fill at sewer plant only)	\$30.00
After Hours Employee Call-Out	\$125.00
Deposits and Credit Establishment ~Residential Water Account	An amount equaling two months of the residential flat fee for water service
~Commercial Water Account	An amount equaling an estimate of two months' water service charges based on like accounts already in service.
Unauthorized Water Turn On	
~Charge to Shut Off Water at the Main or Remove Meter	Actual cost to the water department plus 15% overhead

**Miscellaneous Sewer Fees and Charges** 

Miscellaricous Sewer rees and charges	
Termination or Restoration of Sewer Service ~Minimum Service Charge (nonrefundable)	Actual cost +15%
Deposits and Credit Establishment ~Residential Sewer Account ~Commercial Sewer Account	A sum equal to the established bill for two months' service but not less than \$40.
	An amount equaling like accounts in service.
Septic Waste Disposal (at sewage plant only)  ~Per Load of Up to 500 Gals of Waste  ~Single Loads in Excess of 500 Gals	\$100 minimum \$20.00 for each 100 gals excess or fraction thereof
After Hours Employee Call-Out	\$125.00
RV Dump Stations  ~Monthly Flat Rate in Addition to Any Other Water and Sewer Charges	\$60.00
RV Parks	Same as Metered Commercial Charges



# MANAGER'S REPORT

DATE: February, 10 2015

TO: Mayor and Borough Assembly FROM: David B. Sosa, Borough Manager

## **BOROUGH ADMINISTRATION MISSION**

Under the guidance and direction of the Borough Assembly, the mission of the Haines Borough Administration is to deliver critical and desired services; to protect the safety and well-being of the community; and to create conditions for a vibrant, sustainable economy that enhances and safeguards quality of life

# Manager's Comments:

FY 2016 Budget Preparation: I continue to refine guidance for the staff based on information received from Juneau and on internally assessments of anticipated revenues and expenditures for FY 2016. Our latest review of General Fund revenues and expenditures shows a 6% decrease over FY 15 (-\$229,000) and an increase in expenditures of \$72,000. The increase results from expected increases for wages, employee burden, health insurance, utilities, etc. We will continue revising our numbers as we move through the process. As a useful measure 1 mill equals approximately \$290,000 at our current property valuation. The majority of the revenue decrease stems from property tax (10K), Revenue Sharing (25K), and Raw Fish Tax (219K).

For further details on FY 16 Budget Guidance see Managers Revised Guidance (attached)

<u>Juneau Trip</u>: See attached Trip Report

<u>2d Quarter Budget Reviews:</u> I spent time with each department head reviewing quarterly revenue and expenditures. As of this writing I have met with 4 departments with the remainder scheduled for Friday 6 February. In general revenues and expenditures are tracking in line with projections and where they are off it is possible to make up any shortfalls internal to departments. One exception is the where revenues for Annual Slip Rentals are projected to be off by \$24,000 dollars. This is the result of loss of revenue from 3 large vessels all of which left the area. I have asked the Harbormaster to identify potential to address this shortfall within the fund and expect recommendations within one week.

<u>Budget Amendment:</u> The Budget Amendment will be coming back to the Assembly on 24 February and there will be some requested modifications that I want to update the Assembly and the public on so that there is time for additional research and an

opportunity to prepare and ask questions of the Manager and staff. In my last Managers report I addressed the concerns over my request for dedicated funds for the Lutak Dock study and improvements. I reviewed the anticipated costs and sought to address any concerns about oversight by demonstrating that approving funds in this manner will likely increase rather than decrease oversight. Other items of concern are as follows:

Police Department Analysis and Assessment: (also see attached document and Chief Musser's monthly report) Chief Musser and I have been communicating with Mr. Greg Russell of Russell Consulting LLC (www.russell-consulting.org) a firm that specializes in best practices reviews for public safety entities. Small departments such as ours routinely conduct external audits and reviews in order to ensure an unbiased review of policies, procedures, and practices. This helps ensure that our department operates to best standards and guards against liability. An ideal time to have conducted a review such as this would have been after the departure of the last Chief. Conducting a review at that time would have provided an incoming Chief with a thorough assessment and provided a way forward with established benchmarks for evaluation. Unfortunately this did not occur and the level of turnover on the force has been such that an internal review has been difficult. Both Chief Musser and I feel that this review is important for the department and for the community and urge that funds for the study be authorized from the Townsite Service Area General Fund which has a fund balance of \$1.5 million.

Noise Study: (also see attached document) In conjunction with helicopter landings associated with a Conditional Use Permit the Borough is planning on conducting a noise study. The anticipated cost for the study is approximately \$42,000 and the proposal for the Noise Study is included as an attachment. This study will provide measurable data that the Borough can use to develop a clear policy on noise. I request that the funds be authorized from the Economic Development and Tourism Fund which has a fund balance of \$391,000.

<u>Police Coverage:</u> In light of the recent break-ins at different locations in town several community members have asked about Police coverage. There is not currently 24 Hour coverage and this is tied to personnel availability. We are always looking at ways to provide the best service and will ensure that we focus our coverage on times we determine our officers are most needed.

<u>Lease 2559</u> (Fish & Game Office in the Public Safety Building): This agenda includes a proposed lease for an office rented in the Public Safety Building by the State on behalf of Fish and Game. The lease includes a modest increase in rent and is for a period of 5 (five) years. There is a provision for rent increases based on CPI and provisions to extend the lease after 5 years. This is in line with the previous lease.

Klehini River Bridge: This agenda includes a resolution accepting a new bridge to span the Klehini River. This action is in fulfillment of Haines Borough Resolution #494 (contained in supplemental information). The current bridge is approaching the end of its useful lifespan and will nto be able to handle the loads that may be driven over it if additional development occurs in the area. The costs for replacing the bridge and associated work will be borne by the State and regular inspections will be conducted by the State. Regular maintenance, service life extension, and plans for eventual replacement in 50-75 years will be the responsibility of Haines Borough. The Borough Manager and the Facilities Director have been in conversation with representatives from ADOT for several months and we are of the opinion that accepting this proposal is in the best interests of the Borough. We had specific questions regarding the life cycle maintenance of the structure

and those were satisfactorily addressed by ADOT. Mr. Matt VanAlystine, Engineering Manager, Dept. of Transportation & Public Facilities will be available via phone to answer any questions that the Assembly or members of the public may have regarding this structure.

<u>Baby Brown Timber Sale:</u> In concert with Assembly member Jackson I prepared a Borough Comment relating to the proposed sale that was submitted to Mr. Josephson on 5 February. In advance of submitting the letter I sent it to Assembly Members and Staff and provided 24 hours for review and comment. The letter is included with this packet.

<u>Political Campaign Signs:</u> Since the last Assembly meeting members of Borough Staff toured the community and identified properties where political signs are displayed. Notices were sent out to those property owners to make them aware that they were in violation of Borough code. Additionally, public notices were posted to ensure that all residents are aware of the provisions of code. Borough Staff will conduct another tour of the townsite and send a second notice to property owners still in violation. Individuals found to be in violation after 28 February will be issued notices and fined in accordance with code.

<u>HELP Committee:</u> The HELP Committee will met on 30 January during which we identified specific tasks for each member to complete for the update of the Emergency Operations Plan. We also identified our Facilities Director as the Project Lead for the rewrite of the Hazard Mitigation Plan. The Hazard Mitigation Plan will be a full staff effort that will include opportunities for public review and comment.

Community Purpose Exemption: I sent out the DRAFT ordinance and a DRAFT Policy to those community groups impacted by the ordinance and policy and representatives of several organizations were on hand during the Finance Committee meeting of Monday 19 January. The Committee had several questions so I met again with representatives of community organizations on Wed, 21 January and discussed additional revisions to the policy. I will work with staff to incorporate these into a revised document for presentation to the Assembly.

<u>CAPSIS Development:</u> The CAPSIS development meetings have been completed and our information was successfully entered into CAPSIS on 4 February 2015. Messages were sent to Senator Egan and Rep. Kito alerting them to this. I would like to thank each member of the of the development team for their hard work on this project. The development of key messages and themes and the focus on outreach was impressive. I would also like to thank Mr. Bill Thomas for his invaluable advice and input to this process. His understanding of the issues and concerns and how they resonate with key decision kept our efforts focused on the concepts that matter.

<u>Harbormaster Hiring:</u> The Borough will be advertising for the Harbormaster position shortly.

Marijuana Policy: The new law regarding use of marijuana will result in communities throughout Alaska determining if it will be legal to sell this product within a given municipality. This is a decision that we as a community need to make and it is important that we begin the public process that will enable us to reach a decision as a community. There are also more mundane and administrative matters that must be addressed if we are to successfully implement the provisions of the law as they are enacted by the State. In early February 2015 the Juneau Assembly defined "public places" in the Borough Code

in order to address locations where Marijuana may and may not be smoked. Last month our Borough Attorney provided a memo that outlined many of the administrative adjustments that will need to be taken as the new law is implemented. These include adjustments to personnel policies and adjustments to code. I have directed staff to review internal policies and work with the Borough Attorney to recommend changes. I have also directed our Planner, our ComEcDev Director, and our Police Chief to conduct a staff assessment of code and Borough Policy to determine potential adjustment for land use, zoning, commerce, and enforcement. I recommend that the Assembly assign one committee with lead on this project and I will have staff engage with the committee. Alternatively, the Assembly could create a task force that will be charged with addressing this issue.

# Facilities & Public Works:

# Vocational Education Building Renovation

Review documents are expected to be submitted to the Borough no later than February 13 for comment and suggestions. Work is expected to begin this spring/summer.

# Public Safety Building Emergency Operation Center

Work toward the installation of the Emergency Operations Center began on January 19. A new thermal-paned window has been installed following some sheetrock and rot repair. New cabinetry and work stations will be installed to house equipment related to emergency operations. This area is in the Fire/EMS training area on the second floor.

# Facility Management Program

Work orders for facilities maintenance are now being submitted online. This will enable staff to efficiently and accurately track labor and expenditures for Borough facilities. Other uses for this system will include asset management and planned maintenance such as fire hydrants, water valves, heavy equipment and fleet inventory.

# School Roof Project

Bid-ready documents are being prepared for roof repair work to take place in the spring/summer of 2015. The areas to be repaired were outlined in a 2013 roof assessment performed by JYL Architects out of Juneau.

# Sledding Hill

Work has started with the removal of some trees at this site. Weather conditions may slow the progress with the saturation of the ground on the site.

## Hazard Mitigation Plan

Staff is working with the assistance of the State of Alaska Homeland Security and Emergency Management to update our Hazard Mitigation Plan. This process is estimated to take several months.

#### Allen Road Waterline Replacement

Bid-ready documents are near completion and the Borough will advertise this job soon. The project consists of replacing the existing AC and DI pipe on Allen Road and Comstock. This project will be possible through a DEC Drinking Water loan with subsidy.

# <u>Piedad Water Transmission Line Replacement</u>

Staff is working with DEC to acquire a Drinking Water Loan in addition to the reappropriation of past grant funds to make substantial improvements to the Piedad Springs

water source. The scope of work will include source improvements, transmission line replacement, new filtrations system and a small storage tank for contact time. See attached report

Finance: NSTR

# Lands & Planning:

<u>Assessing:</u> American Institute of Certified Planners (AICP) Exam: The Alaska Chapter awarded P & Z Tech Cui the Alaska's 2015 Reduced Fee Scholarship. Cui is going to take the exam in Anchorage on May 16, 2015

# Planning:

- Finishing last of construction declarations site visits from 10 Mile Haines Highway to Boarder
- Coordinating with Contracted Assessor for Townsite building permit values & Access Database project
- Deed Search in process for month of January for Real Property Account ownership updates
- Senior Citizen Application audit (ongoing until March 31 deadline)
- Market analysis for 2015 valuations (ongoing)

# **Library:** NSTR

- -Holly Davis, children's librarian, received the AkLA Conference Attendance Award for this year's Alaska Library Association Conference. Holly will be one of the presenters at the conference. Her session is entitled, *Channel Your Creativity: Children's Programs that Flow.*
- -Patricia Brown, library director, has been elected Alaska Library Association President for the upcoming year. Her duties begin at the annual conference.

Upcoming special events: Ishmael Angaluuk Hope, Inupiaq and Tlingit storyteller, actor, playwright and poet will be at the library on February 12<sup>th</sup> at 7pm. He will read from and sign his new book of poetry, *Courtesans of Flounder Hill* and will share his experience working with the development of the first video game reflecting Inupiaq traditional stories, culture and art, *Never Alone*. This is the kick-off event for our new Native American Library Services Enhancement grant project in partnership with the Chilkoot Indian Association.

Several planning meetings have been held in preparation for funding raising events that will take place for the library expansion project, called LEAP. The first fund raiser will be held in March.

**Museum:** NSTR

# Ports & Harbor:

- Lutak Dock community planning 23 Feb.
- Tagging non-compliant electric cords in the harbor for updates to marine standards.
- PND to have 65% review documents for SPCHE by 28 Feb.

# Public Safety:

• See attached report

# **Department of Community and Economic Development**

- Interim Economic Development Director: Leslie Ross helped worked with the Borough Manager to help the new Community and Economic Development (CED) Director move into his new job. Ross sat in on meetings with CAPSIS, BioMass and Lutak Port Projects until the CED Director takes over these seats. She will continue to attend these meetings on a "as needed" basis.
- Jan 28-29: Juneau Economic Development Summit: Bill Mandeville and Leslie Ross attended this two day event. They met with key industry representatives from State DCED, Southeast Conference, Princess Cruises, and Sealaska. The Summit showcased innovative business starts such as Haines Port Chilkoot Distillery and Fairweather Ski Works. Governor Walker talked about Alaska's economy finding a "new normal" which will be less dependent on oil revenues. He highlighted Alaska's traditional "can-do" attitude and its historic resilience when facing challenges such as less state shared revenues.
- <u>Feb 2: Wastewater Treatment Facility Upgrade Project (WWTFP):</u> The WWTFP working group met with former Rep. Thomas to discuss their legislative request for this project. Group agreed to revise emphasis Haines Borough's intent to develop a more self-supporting facility.
- <u>Feb 2: South Portage Cove Harbor Expansion:</u> Members of the Tourism Advisory Board and harbor Committee met with Borough officials to discuss PND's "35% Design Review Submittal." Everybody agreed on the importance to keep the small boat harbor a working waterfront.
- <u>Feb 3: Wood Pellet Furnances:</u> Borough staff met with AEA to discuss the problems with the Senior Center furnace. They recommend installing a thermal storage unit. It will reduce the number of furnace starts and, thereby, prolong the life of the flame tube. AEA stated they will consider changes to the existing grant agreement to address the challenges regarding fuel supply.
- <u>Picture Point Wayside Grant</u>: Continuing to work on progress report. Will closeup the Picture Point Acquisition grant next quarter.
- <u>Tourism / Visitor Center:</u> Slow visitor numbers for January. Received 2015 Visitor
  Planners and sending bulk mailings out. Working on flyers and materials for upcoming
  summer season. Focusing on marketing plan for next season. Following up on
  logistics for Free Ride World Tour visit. Reestablishing office returning to Tourism
  Director position.
- <u>Swimming Pool</u>: Rae Ann is out of town until February 10<sup>th</sup>. Pool manager ordered new ADA compliant lift for pool.
  - o <u>Pool Heating Costs:</u> Concerns were raised following the 2<sup>nd</sup> Quarter Financial Statement regarding higher than average costs for heating the pool. Staff are looking into the cause. Pool staff were encouraged to cover the pool at night.

O Jan 31: Winter Games North: Haines Dolphin Swim Team hosted 90 children from Whitehorse and Juneau. The meet was successful with great work from the pool crew, Maggie Martin, and the life guards. They did a great job keeping everything clean and orderly. They went out of their way to be accommodating. The feedback from the out-of-town visitors often mentioned they liked having these meets in Haines due to the community effort to put it on. The swimmer's families filled up hotel rooms, restaurants, the museum and library. Not to mention the Haines Dolphins swam like champions.



# Juneau Trip Report

DATE: January, 29 2015

TO: Mayor and Borough Assembly FROM: David B. Sosa, Borough Manager

## **BOROUGH ADMINISTRATION MISSION**

Under the guidance and direction of the Borough Assembly, the mission of the Haines Borough Administration is to deliver critical and desired services; to protect the safety and well-being of the community; and to create conditions for a vibrant, sustainable economy that enhances and safeguards quality of life

## <u>Overview</u>

On 28 January 2015 Mayor Jan Hill and Borough Manager David Sosa had meetings with State Legislators and leaders of regional organizations in Juneau. The purpose of the meetings was to provide these individual and groups with information on issues of concern to Haines Borough and to help us develop a better understanding of the State fiscal situation and the potential impact this has for municipalities throughout Alaska.

#### Individuals Met:

Ms. Kathie Wasserman, Alaska Municipal League: Ms. Wasserman provided insight on the potential impact of the State budget deficit on municipalities.

Ms. Shelly Wright, Southeast Conference: Ms. Wright addressed initiatives by Southeast Conference to encourage coordination and communication between municipalities.

Sen. Dennis Egan: Met with Sen. Egan and reviewed the Borough's legislative priorities.

Rep. Sam Kito: Met with Rep. Kito and reviewed the Borough's legislative priorities.

Sen. Anna McKinnon, Co-Chair Senate Finance: Met with Sen. McKinnon and reviewed the Borough's legislative priorities.

Mr. Robert Steedle: Deputy Borough Manager City & Borough of Juneau

<u>Budget Concerns:</u> All parties that we met with had significant concern about the State Budget Deficit. Legislative members emphasized that the current shortfall of 3.5 Billion is

for the current FY and that there are only 5 months left in the FY to address the shortfall. Additionally, the price of oil is expected to remain low barring either a significant disruption in supply or a similarly significant increase in demand. Given the state of the international economy an increase in demand is not likely and disruption in supply would likely only be caused by natural disaster or conflict. The long term impact of this is that Alaska can expect low revenue for the next several years which will impact the State Government and municipalities.

Likely impact for the current year is a reduction in spending on capital projects while in the coming year we will see continued reductions in capital spending and at least a 5.5% reduction in State Revenue Sharing for municipalities. Continued low prices for oil extending beyond 2016 will result in significant reductions in revenue sharing (30%) and the potential to eliminate this program. For FY 16 this represents a 30K loss and elimination of the program would result in a loss of more than 800K in revenue.

All parties emphasized that there will be no unaffected programs and that cuts are expected throughout State Government with consequent impacts for municipalities. They all emphasized that this situation was very serious and that it will take time to resolve. In phone conversations and e-mails prior to our arrival legislators and organization leaders discussed a need for municipalities to exercise fiscal responsibility by focusing on priorities, funding operations and maintenance to extend the life cycle of Capitol projects, and committing appropriate municipal resources to Capitol projects. This message was repeated during the conversations of the day.

<u>Our Message to Legislators:</u> In advance of our trip to Juneau I prepared a 1 page (2 sides) synopsis of our issues, concerns and priorities. This was well received by those who were briefed off of it due to both the focus and brevity of the document. I emphasized the critical nature of the top four priorities, their relevance to Public Health, Safety, Commerce, and Economic Development. Additionally, I framed our development projects (Lutak, SBH, and Roads) within the context of development for the Upper Lynn Canal and Southeastern Alaska. This is, and must remain, a key part of our message as projects with only local impact will not be given serious consideration. Also emphasized was my commitment to setting the Borough on a fiscally responsible course that seeks to appropriately find operations and maintenance and our appropriate share of Capital Improvement Projects.

Impact to the Borough and our Legislative Priorities: With the current deficit it will be difficult to identify funds for Municipal priorities. Conversation with Sen. Egan and Rep Kito revealed that water, wastewater, and public health & safety are the areas that are most likely to be funded if funds are available. The Borough listed the Waste Water Treatment Facility as the number one priority so this at least makes that priority competitive for funding. Moreover, the willingness of legislators and organizations to meet with the Borough this early the session demonstrates that our concerns are being taken seriously and that we have taken the right steps to secure support in a tremendously competitive environment. My sense is that we have a fair chance of securing the 600k re-appropriation of past unused grants to the WWTF with the slight possibility of securing additional funds for the WWTF. It is not likely that any priority ranked lower than our first priority will be considered this year.

My recommendation base doff of these conversations is that the Borough focus efforts on obtaining funding for the WWTF in this FY and that we continue messaging with respect to Lutak so that the project remain on their minds for future funding. It is highly unlikely

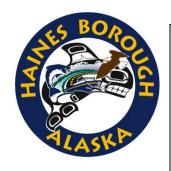
that any projects below our first two priorities will receive serious consideration. With respect to WWTF I feel it is important that we continue to demonstrate seriousness. In the last GASC meeting the idea of funding all or a portion of the project through reserves was raised. I believe that committing a set amount or at least 1 million dollars and communicating this to Sen. Egan and Rep. Kito would be a prudent move.

Conversation with Mr. Steedle: Mayor Hill and I were informed that the CBJ Manager was out of town and made arrangement to visit the Deputy Manager Mr. Steedle on the afternoon of 28 January. We reviewed our conversation of earlier in the day and compared notes on the impact of the state budget deficit on municipalities. Mr. Steedle's read of the situation was in line with ours. We also discussed efforts to address waste management in our respective communities and community plans to address appropriate policies for marijuana legislation. Juneau appointed a task force to review the issue and engage with their attorneys to identify an appropriate path forward on this issue. Challenges include adjustments to work place policies, adjusting Borough codes to address changes in state law, and determining which path is the most appropriate for each community. Mayor Hill commented on the impact of different approaches to alcohol sale and use in communities that are in close proximity to each other and the challenges that this creates for enforcement. We discussed the merits that consistency of approaches within a region would have for both clarity of the law by residents and enforcement for local police. During the Winter AML conference this will be a key topic and I feel the Borough will need to devote significant attention to crafting appropriate legislation. I recommend that this item be sent to the GASC and will identify a panel of staff to assist the GASC or other committees in researching this issue.

<u>Final Thoughts:</u> I felt that this was a worthwhile visit in helping gain more understanding on a variety of issues and for ensuring that our concerns have the appropriate attention in Juneau. It will be important for us to follow-up and keep our legislators informed of progress and issues so that our priorities remain their priorities.

Very Respectfully,

David B. Sosa Borough Manager Haines, Alaska



# MANAGER'S REVISED BUDGET GUIDANCE TO STAFF

DATE: February, 5 2015 TO: Department Heads

FROM: David B. Sosa, Borough Manager

## **BOROUGH ADMINISTRATION MISSION**

Under the guidance and direction of the Borough Assembly, the mission of the Haines Borough Administration is to deliver **critical** and desired services; to protect the **safety** and well-being of the community; and to create conditions for a vibrant, **sustainable economy** that enhances and safeguards quality of life

**Bottom Line Up Front (BLUF):** The Borough is financially stable and has the benefit of a strong and capable employee force, experienced Assembly Members, and a committed/engaged citizenry. We are in a challenging fiscal environment which will require that we make some hard choices if we are to continue to deliver essential, quality services, and maintain a safe environment. We anticipate that General Fund Revenues will be approximately 6% lower than in FY 15 as a result of a significantly lower Raw Fish Tax, a 5.5% reduction in State Revenue Sharing, and a 10% increase the dollar value of senior exemptions. Additionally, expenditures will increase due to increased utility costs, increased costs for goods and services and mandated wage and benefit increases. In light of these conditions Department Heads will apply the following to the development of FY 16 Budgets

- Plan for a 6% reduction over FY 15. Apply cost savings in the following priority
  - Priority 1: Fully fund essential services. Essential services are those required for the effective functioning of the borough and which preserve and protect life, ensure a standard level of safety, or provide a key service without which there would be significant risk. Included in this definition are items deemed to be Critical Infrastructure. Critical Infrastructure are those infrastructure, or portions of infrastructure, which directly support essential services. Examples would be:
    - Portions of the Public Safety Building which directly support Police,
       Fire, Ambulance, or Dispatch.
    - Public Works structures and equipment which directly contribute to the performance of essential activities.
      - Waste Water Treatment Facility
      - Water Treatment Facility
      - Public Works Equipment
      - Lines and Conduits for
      - Port & Harbors in the following Priority:
        - Lutak Industrial Port

- Harbor facilities & equipment essential to support cruise ships and Commercial Fishing
- Priority 2: Fund mandated services. Mandated services are those required by Federal Law, State Law, or Borough Code. Be prepared to back up the funding of mandated items with reference to applicable law or code.
  - Funding for mandated services may be reduced after consultation with the Manager. Rational for reduced funding would be that there is no significant risk to essential services and that fines levied would be less than the cost of providing the service.
  - Funds that are constrained or restrained by initiative action, referendum, or other means should still assess their activities in terms of essential, mandated, or discretionary. An example is the Economic Development & Tourism Department which is funded wholly through a portion of the sales tax which cannot be spent on other areas without voter approval.
- Priority 3: Funding Support Activities: Support activities are those activities which contribute to the effective delivery of services. Support Activities will be funded in the following priority:
  - Support to Essential Services
  - Support to Mandated Services
  - Support to Discretionary or non-essential services
- Priority 4: Discretionary and non-essential services. These are services that are not linked to the effective functioning of the borough and which are not directly linked to the protection or preservation of life, the support of critical infrastructure, or which directly support mandated services.
- <u>School District Funding:</u> The Borough has historically funded the School District at approximately 84% of the maximum allowable limit. The Manager's Budget will lower that funding level to 80% of the maximum allowable limit. This will still represent funding of 201% of the minimum allowable limit. The mandated levels are not available at this time but reviewing data from FY 15 reveals the following:
  - The Borough funded 84% of the maximum=1,556,866
  - Funding at 80% for FY 15 would have been=1,482,729
    - This equates to reduction of \$74,137
  - For FY 16 the Manager's Budget will seek to fund at 80% or 1,482,429 whichever is lower.
  - In addition to the funds above the Borough also provided an additional \$230,000 for Activities and Work Orders raising the total to \$1,786,866. The Borough anticipates funding Activities and Work Orders at no higher than the FY 15 level in FY 16.
  - The Borough budgeted a revenue for the Areawide Property Tax Levy (5.56 mils) of \$1,607,500 in FY16.
  - The funds provided to the school district exceeded the amount collected in the Areawide Property Tax Levy by \$179,366
    - In future years consideration should be given to funding the School District at no higher than the Areawide Property Tax Levy
- Mill Rate: After a review of the initial Department Budgets and the potential impact
  of cuts on services the Manager will make an assessment on whether or not to
  increase the Mill Rate:
  - 1 Mill=approximately \$290,000
  - .1 Mill= approximately \$29,000

#### **Environment:**

• The International Fiscal Outlook is Mixed. Europe and Asia remain depressed as exemplified by slowdowns in China, the low value of the Ruble, and negative growth to slow growth throughout Europe (see figure 1) The US economy is demonstrating growth spurred in large part by the increase in oil production as well as the low price of energy. The rise in production combined with slowdowns in Europe, Asia and elsewhere has produced an excess supply of oil resulting in significantly lower prices (see figure 2).

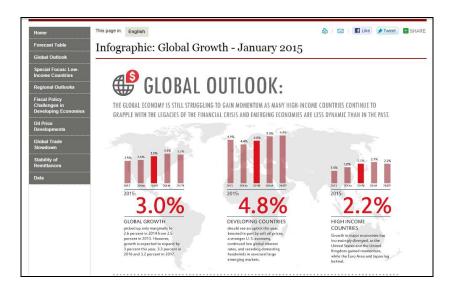


Figure 1: http://www.worldbank.org/en/publication/global-economic-prospects/infographic-global-growth-january-2015

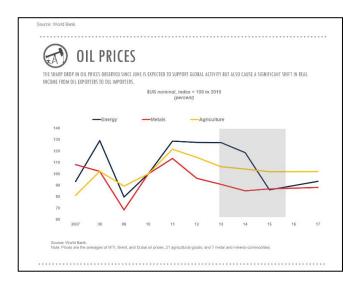


Figure 2

- <u>US Considerations</u>: US growth continues at a slow but steady rate and has
  contributed to lower levels of unemployment and a very strong US Dollar. The low
  price of oil has the potential to spur production but there will also need to be
  increased consumer demand. The strength of the US Dollar relative to other
  currencies will tend to reduce the demand for US products abroad while making
  foreign products more competitive in the US. This could help spur development in
  other countries. This same currency issue will reduce the purchasing power for
  foreigners traveling to the Unites States while increasing the purchasing power of
  US travelers abroad.
- Alaska Considerations: The low price of oil is having a significant impact on the State of Alaska. The state budget was developed assuming an average of \$95 a barrel and the average for the current and projected FY's will be significantly below that resulting in a deficit in FY 15 of 3 Billion Dollars. This will reduce state spending on Capital Projects and impact revenue sharing. A number of Capital Projects have already been cancelled or delayed which will impact contractors throughout the state. The high value of the dollar, combined with generally high costs in Alaska, may impact the willingness of foreign travelers to come to Alaska and may reduce the dollar value of goods purchased by foreign travelers. One benefit to low oil prices for Alaska is that energy costs will be somewhat lower resulting in savings particularly for vehicle fuel and heating oil. Lower oil prices may also serve to lower, or at least hold in check, the costs of shipping goods to Alaska from the Lower 48 and Canada.
- Haines Borough Considerations: The impacts seen across Alaska will apply to Haines. Reduction in Capital Spending by the State will result in fewer opportunities for local contractors and 5% reductions in State revenue sharing will impact our revenues by up to 30K in FY 16. The prices of some goods and services may reduce or remain the same due to low prices for gasoline and heating oil. This will save the Borough some money in the FY but likely not enough to offset the reduction in State Revenue sharing. Lower prices for gasoline will make vehicle travel more appealing although the strength of the dollar will impact the purchasing power for foreign visitors potentially impacting sales tax revenue.

# **Revenue & Expenditure Considerations:**

- The factors outlined above (Fewer state Capital Projects, Reduced State revenue Sharing, Lower Oil Prices, Currency Strength) will result in reduced revenues for FY 16. Our property values increased by 1% but additional exemptions will produce a net loss over FY 15 given the same mil rate.
- Contractual requirements will result in increased costs for personnel due to salary and benefit increases. Salary and benefits represent the single largest expenditure for the Borough and even a small percentage increase has the ability to significantly impact spending.

# **Historic Borough Trends:**

- Overreliance on Grants (we are addicted)
- Underinvestment in maintenance: Critical issues with Lutak, WWTP, Roads
- Underinvestment in infrastructure, particularly the infrastructure that is "out of sight and out of mind" (Lutak, WWTP, PSB, Roads, Pipelines)
  - Historic risk accepted in these areas has resulted in significant degradation and danger of collapse or failure of these facilities
- Historically strong investment in Education, Tourism, Library
  - This provides an opportunity to accept risk in these areas

#### **GUIDANCE:**

# **Annual Budget Guidance**

- Assumptions:
  - o Assume a decrease in revenue without a Mill rate adjustment
  - Assume increase in expenditures related to utility costs, personnel, etc. (2% +/-)
  - Assume a small decrease in expenditures related to oil (heating fuel and gasoline) which will be offset by electricity costs
  - Assume no savings but no increase in costs related to shipping and delivery of goods
- Direction:
  - Review programs and eliminate/reduce those that are non-essential, discretionary or underutilized
  - o Coordinate between departments to avoid duplication of effort and services
  - Minimize reliance on overtime in coming FY
  - Emphasize training and development of employees particularly that which increases effectiveness
  - Department Specific Actions (In development)
    - Facilities & Public Works

# **Capital Planning Guidance:**

- Focus CIP on projects that meet the Borough definition:
  - At least \$10,000 and designed to last at least 3 years
- Employ Facility Dude to track annual maintenance, program out routine and emergency maintenance, and plan for CIP (replacement/improvement of facilities & major end items)
- Break the grant addiction and take charge of our future
- Begin implementation of a goal to have 33% cash on hand for each CIP item valued under 2 million dollars
  - o 33% Cash, 33% Loan, 33% Grant (33<sup>3</sup>)
- Implement a plan to provide cash for projects valued under \$500,000
  - o Save sufficient cash each year to ensure ability to address project
- Do not use CIP funds for projects that a actually tied to annual maintenance (deferred maintenance)
  - o If necessary in FY 16 we can "wean" off this behavior
- Critical Projects for funding & Completion in FY 2016 (critical defined as it would result in significant disruption to an essential service or a significant threat to health and safety)
  - o WWTP
  - West Fair Drive Sewer Main Replacement
  - Tower Road Water Tank Roof
  - o Mathias Sewer Line

D.B. Sosa

David B. Sosa Borough Manager Haines Alaska



January 23, 2015

Mr. David B. Sosa Borough Manager PO Box 1209 Haines Borough, Alaska

# Dear David;

We are pleased to present our revised fee estimate to perform the following Scope of Services for the Borough of Haines, based on information provided by the Borough. Please do not hesitate to call with questions.

#### Scope:

Task 1 – **Noise Monitoring** – This will be the actual readings at specific sites during actual landings and take offs.

Task 1 involves the Mead & Hunt Team (Consultant) conducting noise monitoring to determine existing ambient noise levels and noise levels during helicopter operations. Noise monitoring would be conducted by one (1) technician for a seven (7) day period, and the project manager will assist with placement of the monitors for two (2) days. Noise monitoring will take place at three (3) permanent locations for the 7 day period and at a fourth (4th) location near the centerline of Chilkat Lake Road that is a non-permanent site.

The Consultant will measure noise during helicopter operations using all of the following parameters in addition to any parameters deemed appropriate by the Consultant:

- A. Measurements shall be taken during actual heliski operations of SEABA flying a *typical* helicopter, other than a Bell 212, fully loaded using flight paths identified in the Permit, weather permitting.
- B. Decibel readings shall be taken from the locations identified on the attached Exhibit A and other locations selected by either the Borough or the Consultant as appropriate locations for sound measurement at takeoff from, landing on and during the approach to and from the heliport.
- C. The Consultant will also measure ambient background noise on the properties closest to the Property (the points on "Exhibit A") and on a point on the centerline

of the Chilkat Lake Road which is closest to the heliport site. There should be a minimum number of independent samples taken of ambient background noise. Samples should be taken when Big Salmon/ SEABA is not operating, to provide accurate data regarding the potential change in area noise levels.

D. One-second noise data will be collected in real time and noise metrics will be analyzed during post-processing. The Consultant shall include unweighted "raw" sound levels measured in decibels (dB) and will include "A weighted" (dB(A)) and 1/3 octave sound level measurements at each location from which noise levels are measured and such weightings will be included in a standard sound measurement report. The 1/3 octave measurements will allow additional weighted metrics to be analyzed.

Task 2 – **Noise Measurement Analysis** – This will show the sound in decibels surrounding the landing area and flight paths.

Task 2 involves the generation of metrics to analyze the area with and without helicopter operations. The Consultant will prepare the following metrics: DNL, SEL, LEQ, LMAX, and Time Above. The FAA's Integrated Noise Model Version 7.0d will be used to generate these metric analysis. The number of operations, helicopter type, helipad and flight track use will be provided to the Consultant as well as operational assumptions.

Task 3 – **Background Noise Study** – This will provide data on existing noise and if/how the proposed use will contribute to the overall noise levels.

The results of the Noise Study shall be contained in a written report ("the Report") which shall be regarded as public information and shall be completed no later than May 1, 2015. The report will compare the noise measurement data to Federal Aviation Administration standards including the FAA Integrated Noise Model and the yearly daynight average sound level. Consultant shall also include data on single event sound levels in the report from the analysis in Task 2.

Task 4 – **Presentation of Results** – Presentation by the Consultant to Haines Borough explaining the process, measurements, analysis, and results

Task 4 involves the Consultant creating a presentation for the Haines Borough that details the project, including the methodology, noise measurements, noise metric analysis, results, and answer questions regarding the project. This will be conducted via webcast.

The following is our estimated fee to complete the Scope of Services as outlined above.

# **Fee Estimate**

Task 1 Task 2			\$21,300 \$ 8,300
Task 3 Task 4			\$ 7,500 \$ 4,200
Total Fee Estimate			\$41,300

Sincerely,

Ryk A Dunkelberg Vice President







# Proposal and Statement of Qualifications

Russell Consulting, LLC P.O. Box 1655 Soldotna, AK 99669

(907) 398-2770 (888) 398-2658 fax www.russell-consulting.org

> Gregory A. Russell January 26, 2015

## PROPOSAL ABSTRACT / STATEMENT OF NEEDS

The Haines Borough requires a Professional Management Best Practices Review of its Police Department's Operations. The assessment will include a review of the department's internal and progressive discipline programs as well as the interdepartmental relationships relative to the services it provides to the guests and residents of the borough. The Haines Borough requires a detailed report indicating any and all recommendations the consultant feel are warranted to improve the functions and operations of the Haines Borough Police Department.

## STATEMENT OF GOALS

The goal of the review is to improve the efficiency and professionalism of the Haines Borough Police Department, thereby enhancing its ability to serve the citizens and guests of the Haines Borough.

## PROJECT METHODOLOGY / TIME LINE

**Conduct Project Kick-Off Meeting** – In this task, we would conduct a kick-off meeting to review the project's goals and objectives, discuss our work plan and plan the schedule of subsequent meetings and interviews. The kick-off is where final matters regarding project scope and any last minute contractual issues can be resolved. We will also discuss the stakeholder input process and any evaluation criteria for our analysis.

**Request and Review Background Information** – We would request your assistance in gathering any information related to the current initiatives. Our methodology anticipates the review and consideration of the following materials (at a minimum):

- Organization charts and relevant job descriptions.
- Operating and capital budgets (including grants) for the past five years.
- Formal and informal policies and procedures, as well as controlling directives for each department reviewed.
- Training and qualification requirements.
- Cost allocation or cost recovery agreements.
- Compensation and benefit schedules.
- Recruitment and retention (turnover) data, as well as overtime utilization.
- Public safety contracts, MOU's and amendments.
- Mutual aid and/or automatic aid agreements.
- Outside contracts with service providers, including telecommunications, repair/maintenance, etc.
- Labor contracts, labor/management agreements and memoranda.
- Planning data on trends in population, demographics, and business growth.
- Local ordinances and statutory references relevant to the current initiatives.
- Technology platforms, including information systems (APSIN, records management, etc.) and radio/telecommunications capabilities.
- Availability and administration of geographic (mapping) information.
- Current scope of administrative support for public safety activities.
- Incident trend data for the past 10 years, including UCR and NIBRS information.

To the extent possible, we would like to obtain this data at the beginning of the project. We understand that some of the information may not be available or may take time to gather.

**Understand Service Level Requirements** – We would meet with the appropriate stakeholders to understand overall service level requirements. We would also seek to understand any unique environmental considerations as well as community expectations for law enforcement and fire / emergency medical services dispatch services.

On-Site Observations and Information Gathering —We would observe first-hand the police department and the call taking and dispatching operations of the existing communications center. We would also interview key management and staff to clarify our understanding of agency priorities and unique requirements, including client agency representatives. We would review and profile the interdepartmental relationships of the police department and communications center with the agencies served. This would include the scope of services provided and the cost allocation associated with those services. We would also obtain call for service volumes and any other available measures of productivity, performance and/or workloads. Relationships with allied agencies that work with or support the police department, e.g., the Municipal / District Attorney's Office, the Court, the Adult / Juvenile Probation Office, the Public Defender's Office, the Alaska State Troopers and the general public will also be considered when making recommendations.

**Develop Gap Analysis** – We would present our findings in a scorecard format that would reflect the discrepancies between the services desired and current capabilities. We would consider appropriate statewide professional accreditation standards for police agencies to include (at a minimum):

 Alaska Law Enforcement Agency Accreditation Commission (ALEAAC) or similar

We will profile the options for meeting desirable standards, which may include the deployment of technology, minimum staffing guidelines, training, and proficiency/performance standards.

**Develop Draft and Final Reports** – In this task, we would develop draft and final reports. The draft reports will be a comprehensive compilation of the findings and conclusions developed during our scope of work. We would convene the project steering committee and present our draft conclusions for discussion and consideration, allowing time for review and comment. After receiving comments, we will make final edits and submit the completed assessment report.

#### PROJECT SCHEDULE

We anticipate that the tasks and activities described in this proposal could be completed over a seven to eight (7-8) week period. A preliminary estimate for the precedence of activities and duration of project tasks is provided below.



We are prepared to proceed with our assistance immediately and have the necessary availability over the duration of the project. Our proposed project schedule assumes the following:

- Project stakeholders will be available upon reasonable notice to participate in interviews, meetings and workshops.
- All draft deliverables will be submitted electronically for distribution to stakeholders.
- Stakeholders will review and comment on deliverables within two calendar weeks of publication.

#### **Estimate of Hours**

It will require approximately one hundred twenty five (125) hours to complete the tasks described in this proposal. Our allocation of effort for each task is:

Task	Hours
Kick Off Meeting	4
Review Background Info	8
Interviews	24
Operational Observation	10
Analysis & Writing	30
Status Meetings	6
Draft Report	24
Legal Review	5
Final Report	14
Total Hours	125

## PROJECT BUDGET / COSTS

The anticipated cost for this project is \$21,875. An initial retainer fee of \$10,000.00 will be non-refundable if the project is cancelled by the Haines Borough. However, if the Consultant fails, or chooses not to complete the work identified within this contract, the retainer fee shall be refundable, less any actual incurred work and expenses of the Consultant, either by the 7-8 week completion deadline or date of notice of cancellation. Actual work performed will be billed against the retainer at a rate of \$175.00 per hour. When the retainer fee is exhausted, the Consultant shall invoice the City bi-monthly for the amount owed.

The completion of this Project may require two or more visits to Haines Borough. The first visit would initiate the on-site management review, facilitating the gathering of information and data. The second trip to Haines Borough shall be to facilitate a presentation to the project steering committee. Additional travel shall be at the discretion of the City Manager, to be agreed to by both parties.

Reasonable office expenses, such as long distance calls, copying costs, etc., shall be reimbursed upon submission of receipts or invoices of actual cost to Consultant.

In the event that additional work is requested outside the scope or in excess of the time provided in this agreement, then the hourly rate of \$175.00 will be paid to Russell Consulting, LLC by the Haines Borough, to be invoiced bi-monthly.

#### STATEMENT OF ASSURANCES

- 1. Russell Consulting, LLC, shall administer the on-site management review of the Haines Borough Police Department.
- 2. Individual integrity, along with the implementation of recognized professional standards and best practices, are key components of management reviews conducted by Russell Consulting, LLC. Therefore, all Haines Borough staff, personnel, and members of the public shall be treated with respect and dignity throughout all phases of the Project.
- 3. The management review shall comply with all applicable federal, state, and local laws and ordinances.
- 4. Russell Consulting, LLC shall maintain the confidentiality of such a review to the degree allowed or governed by law.
- 5. There are no known conflicts of interest between Russell Consulting, LLC, and the Haines Borough that would prevent a management review at this time.
- 6. Russell Consulting, LLC shall use such fiscal control and accounting procedures as to ensure proper disbursement and accounting of funds as provided by the Haines Borough throughout the term of this Project.

- 7. Russell Consulting, LLC shall provide written reports to the City Manager of the Haines Borough in accordance with the provisions specified in the Project Budget.
- 8. Russell Consulting, LLC shall maintain records of the management review for a period of five (5) years from the starting date of the retention period.
- 9. Russell Consulting, LLC is licensed, and in good standing, to conduct business within the State of Alaska.
- 10. Russell Consulting, LLC is insured by Axis Surplus Insurance Company, carrying Professional Liability Insurance, and shall maintain such a policy throughout the performance of this Project.

Thank you for the opportunity to submit this proposal to the Haines Borough. I welcome the opportunity to provide this service to you and your community. Please call if you have any questions or require additional information.

Respectfully,

Seegory a fussell Gregory A. Russell, CEO / President

Russell Consulting, LLC greg@russell-consulting.org

Russell Consulting, LLC is a full-service Public Safety Management consulting company specializing in supporting remote and rural agencies. This responsive and reliable consulting service has successfully handled even the most extreme challenges found throughout rural Alaska.

We offer a very high level of practical experience and high-tech management expertise to all rural public safety entities. A cost effective alternative to in-house resources, we offer high quality, confidential assistance based on practical experience, know-how, and a wide breadth of professional contacts.

Clients learn working with Russell Consulting, LLC is simply a more professional, less risky way to develop new areas within their department

#### **RESUMES**

#### **Gregory A. Russell, Chief of Police (retired)**

Greg, President / CEO of Russell Consulting, LLC, began his law enforcement career in 1981, working as an undercover drug enforcement officer for the Alaska State Troopers. Receiving a Special Commission from AST, he worked with the South-central Alaska Narcotics Team, making controlled purchases of illegal drugs on the Kenai Peninsula and in Anchorage. In August 1982, he went to work for the Soldotna Police Department as a Patrol Officer and attended the 23rd session of the Municipal Police Academy in Sitka, graduating as Salutatorian. Greg was promoted to Sergeant in 1985 and supervised the Patrol Division. During his nearly 18 years at the Soldotna Police Department, Greg supervised Patrol, Investigations, Property and Evidence, Administration, and was the Computer Systems Administrator for the department. In 1995, Greg attended the 180th Session of the FBI National Academy in Quantico, VA, working taking command level courses in: Contemporary Issues for Law Enforcement; Management Planning and Budget; Forensic & Technical Services for Managers; and Legal Issues for the Police Administrator. He received his Bachelor Degree in 1977.

In March 2000, Greg and his family moved to Kotzebue, where he served as the Chief of Police. His duties at the Kotzebue Police Department included managing its Regional Jail Facility, one of the most active contract jails in the state. The jail was staffed by KPD's Municipal Corrections Officers, were also the Public Safety Dispatchers. During his tenure at KPD, the department updated its Records Management System; gained access to the Alaska Public Safety Information Network (APSIN) and NCIC; modernized its Jail Accounting System; improved its overall efficiency at delivery of services; and dramatically improved its professional reputation throughout the community. Greg retired in October 2002, after more than 20 years of public service.

Moving back to Soldotna, he established a consulting/training company that specializes in high-tech management expertise offered to all Alaskan public safety entities. A true alternative to in-house resources, his business offers a very high level of practical experience, expertise, contacts, and confidentiality. Clients learn that working with Russell Consulting, LLC can be a more professional, less risky way to develop new areas within their departments.

Greg is a life member of APOA (Alaska Peace Officers Association), a retired member of the Alaska Chapter of the FBI National Academy Associates, a life member of the Alaska Chiefs of Police Association, and a member of the International Association of Chiefs of Police. He is a certified Police Instructor, a Traveling Trainer for the Alaska Police Standards Council, held an Advanced Certificate with the Alaska Police Standards Council, and is an Instructor Trainer for Skid Car. He served as the Program Manager for the Alaska Law Enforcement Agency Accreditation Commission and has been the Alaska Municipal League Joint Insurance Association's Law Enforcement Practices Consultant since 2003. He is the immediate past president of the Peninsula Crime Stoppers Board in Soldotna, AK.

#### Robb Quelland, Sgt. (retired)

Robb Quelland began his law enforcement career at the age of nineteen (19) and has had the opportunity to work in several geographical locations to include the States of Wisconsin, Texas, the United States Air Force, and the State of Alaska. While in the United States Air Force, he served oversees in Saudi Arabia during Operation Desert Storm. He has held various positions of responsibility in each department, to include patrol, investigations, training, and the Acting Chief of Police with the City of Soldotna Police Department.

Throughout his law enforcement career, Robb has attended many management and investigation courses that were instructed in the civilian, military and Federal areas. He has established policies, procedures and conducted criminal/civilian investigations to include internal employee investigations.

Robb attended the FBI National Academy in Quantico, Virginia, in 2002, session #211. He has an AAS degree in Criminal Justice, a BA degree in Criminal Justice and has been a certified Police Instructor. He also held an advanced Certificate with the Alaska Police Standards Council.

Robb is an active member of the Alaska Police Officers Association (APOA), volunteer with youth sports, church activities and other community events.

Robb Quelland recently retired in 2013 from the Soldotna Police Department after 21 years of service and over 27 years in law enforcement. He currently lives in Soldotna with his wife and family.

# **REPRESENTATIVE PROJECT PROFILES – Russell Consulting, LLC**

Cordova Police Department, Cordova, AK	<ul> <li>Conducted management of review, including patrol, investigations, property &amp; evidence, dispatch, and small jail; recommended action plan subsequently implemented by agency.</li> </ul>
Hoonah Department of Public Safety, Hoonah, AK	<ul> <li>Conducted management of review, including patrol, investigations, property &amp; evidence, dispatch, and small jail; recommended action plan subsequently implemented by agency.</li> </ul>
Juneau Police Department, Juneau, AK	<ul> <li>On-site assessor for police department during its application for ALEAAAC accreditation; assessed all divisions according to recognized professional police standards; recommended accreditation.</li> </ul>

Each of the individuals identified below is able to speak to their respective projects and experience with the Russell Consulting, LLC.

Name	City of Cordova				
Address	Box 1210				
	Cordova, AK 99574				
Telephone Number	(907) 424-6200				
Contact Person	Cindy Appleton (Admin. Assistant / HR Director)				

Name	City of Hoonah
Address	Box 360
	Hoonah, AK 99829
Telephone Number	(907) 305-0270
Contact Person	Bob Prunella, City Manager (retired)

Name	Juneau Police Department	
Address	6255 Alaway Ave.	
	Juneau, AK 99829	
Telephone Number	(907) 586-0600	
Contact Person	Greg Browning, Chief of Police (retired)	
	(512) 571-8696	

## **Facility Administration Report** January 2015

#### **Usage:**

Jujutsu started up again this month with the arrival of many aspiring little martial artists. While we were able to work around the sound installation in the lobby, the theater has been out of commission for the month of January so no major performances but the lobby hosted *Rivertalk* and the Haines High School Homecoming Dance. We saw the last class for Tai Chi (changing time and location) in January. A new and exciting event in January was the Haines Music and Dance Camp. Sue Libenson organized the allday event that drew about 75 participants. The teachers volunteered their talents and classes were set up all over the center with the exception of the stage. It was such a big success that no one wanted to leave...musicians and students were still jamming in the lobby into the evening. It seems like a natural for an annual event.

As a result of the grant awarded by the Chilkat Valley Community Center, the FCCA purchased some smaller tables for the lobby that have the capacity to be higher for standing events or lowered for seating.

The renovation of the theater has been impressive to see. Tod Sebens has been leading this charge for the FCCA and putting in hours and hours of work. He has managed the volunteers that have come by to help as well as the professionals that have been here working on sound and electrical. The Dance Studio and Lobby now have new (and excellent) sound systems in addition to the overhaul of the theater sound. An amazing project – kudos to the CCA, FCCA and to Tod for a job well done!

#### **Events to put on your calendar:**

We have several events planned for February:

Feb 7<sup>th</sup> – LCC is hosting a Water Film night

Feb 14<sup>th</sup> -- The Sheldon Museum is hosting an evening of food and film. Feb 15<sup>th</sup> -- Salvation Army hosts volunteer appreciation lunch Feb 19<sup>th</sup> -- River Talk

Feb 20,21, 22 -- In the theater: "Dancing at Lughnasa" an LCCP production

.. As well as a couple of smaller events to be confirmed.

#### Maintenance:

All Good!

Submitted by Facilities Manager, Kay Clements, January 2015

	Chilkat Center for the Arts		
	1/31/2015		
Contact	Function	Participants	Amount
	Dance Studio		
Chorus Bishop	Jujutsu for kids and adults	130	\$285.00
Marilyn Harrold	Tai Chi - Last Class	22	
HBSD	Cheer and Stunt Team Practice	7	\$30.00
	Lobby		
Well and Fit	Morning Muscles	61	\$105.00
St Michael's	Sunday Services - 4 weeks	70	\$300.00
Well and Fit	Strength and Stretch	87	\$105.00
HBSD	Homecoming Dance	50	\$100.00
LCCP	Rivertalk - Jan 15th	50	\$75.00
	Conference Room		
FCCA	Board meeting	7	n/c
KHNS	Board meeting	8	n/c
CCA	Board Meeting	6	n/c
	Auditorium		
		subtotal	
	January Totals	498	\$1,075.00

# Memo

Date: February 5, 2015
To: Mayor, Assembly

Cc: Dave Sosa, Borough Manager From: Jila Stuart, Chief Fiscal Officer

RE: FY15 2<sup>nd</sup> Quarter General Fund Financial Report



The accompanying financial statements show the Haines Borough's general funds (Areawide and Townsite) actual revenues and expenditures for the first 6 months of the fiscal year as compared with the previous fiscal year and as compared with the FY15 Budget amended as of 09/09/2014.

#### 01 Areawide General Fund

Year to Year Comparison - For the first half of the fiscal year Areawide General Fund revenues are up \$233K (10%) year over year. This is primarily due to a sharp increase in raw fish tax revenues, up \$266K (154%) over the previous year. Also up from FY14 are sales tax revenues, \$26K (8%) higher for the six month period. The increases in raw fish tax and sales tax were offset in part by decreases in other revenue items including investment earnings, down \$34K, and Federal PILT, down \$22K.

Expenditures in the Areawide General Fund are down \$145K (7%) from the same period last year. The decrease is primarily due to three line items:

- Transfer from the permanent fund to the general fund is up \$58,500 in FY15. This is technically a transfer and not an expense, but it gets grouped with expenditures for the purposes of this report.
- Salaries and wages are down \$42K from the previous year. There are two factors in this reduction, the
  elimination of the Executive Assistant to the Manager position and a FY14 spike in payroll expenditures
  resulting from leave payout for the outgoing manager.
- Work orders charged out from the Public Facilities Department to other funds is up \$16K.

**Budget to Actual Comparison** - With 50% of the fiscal year elapsed Areawide General Fund revenues are at 69% of budget while expenses are at 49%. Revenues are above the 50% mark due to the timing of significant intergovernmental revenues which were received in the first half of the year such as Community Revenue Sharing, Federal PILT, and Raw Fish Tax. For the year revenues are expected to track close to budget. Expenses are generally tracking at or just below budget for the Areawide General Fund.

#### **02 Townsite Service Area General Fund**

Year to Year Comparison – TSA revenues are down \$11K over the same period in FY14. State revenue is down due to a timing difference in the receipt of the third quarter community jails payment. Sales tax revenues are up \$71K (20%). Increased sales tax receipts are the combined result of three factors: (1) increased collections efforts, (2) increased sales activity during the summer of 2014, and (3) a reporting error caught and corrected by the Borough's auditors during their 2014 review of selected businesses.

Expenditures are down year over year \$423K. Of this amount \$291K was an operating transfer in FY14 for the purchase of a new loader and two new police vehicles. The remaining \$132K variance is due primarily to reduced snow volumes in FY15 as well as reduced payroll due to turnover.

**Budget to Actual Comparison** - With 50% of the fiscal year elapsed, Townsite revenues are at 59% of budget while expenditures are at 38%. Revenues are high for the six month mark in part due to State Revenue Sharing which was received during the first half of the year. If sales tax revenues remain strong revenues may come in slightly over budget for the year. Sales tax for the first six months of the year is normally at 52-54%.

Expenditures are tracking low primarily due to staff turnover, a lack of snow, and an operating transfer to the CIP fund which was not made in the first six months. Expenditures are expected to track low for the year.

# HAINES BOROUGH GENERAL FUND Preliminary Revenue & Expenditures SUMMARY by FUND FOR THE SIX MONTHS ENDING 12/31/2014

# 01 AREAWIDE GENERAL FUND

	1	FY14	1	FY15		Yr to Yr	FY15		BUDGET	% OF
		2/31/2013	I	2/31/2014	VA	ARIANCE*	BUDGET	V	ARIANCE*	BGT
REVENUE										
Property Tax Revenue	\$	828,069	\$	823,257	\$	(4,812)	1,638,000	\$	(814,743)	50%
Sales Tax		317,731		343,343		25,612	585,000		(241,657)	59%
State Revenue - Revenue Sharing		508,650		505,589		(3,061)	507,000		(1,411)	100%
State Revenue - Raw Fish Tax		172,511		438,390		265,879	345,000		93,390	127%
State Revenue - Other		17,340		8,431		(8,910)	67,895		(59,464)	12%
Federal Revenue - P.I.L.T.		366,573		344,205		(22,368)	360,000		(15,795)	96%
Federal Revenue - Library		7,065		25,606		18,541	14,054		6,310	182%
Investment Income		54,738		20,580		(34,158)	110,000		(89,420)	19%
Rents		24,543		34,510		9,967	64,000		(29,490)	54%
User Fees		24,843		29,691		4,847	71,962		(42,271)	41%
Penalty & Interest - PropertyTax		16,794		34,593		17,799	25,000		9,593	138%
Penalty & Interest - Sales Tax		15,337		18,213		2,876	25,000		(6,787)	73%
Business Licenses		6,275		3,450		(2,825)	13,000		(9,550)	27%
Miscellaneous Fines & Fees		9,375		8,115		(1,260)	18,000		(9,885)	45%
Other Miscellaneous Revenue		4,597		7,691		3,094	-		7,691	0%
	\$	2,400,667	\$	2,655,711	\$	255,044	\$ 3,843,911	\$	(1,188,200)	69%
EXPENDITURES										
Salaries and wages	\$	796,979	\$	754,481	\$	42,499	\$ 1,468,995	\$	714,514	51%
Employee Burden		220,340		222,021		(1,681)	440,602		218,581	50%
Health Insurance		181,507		178,438		3,069	385,488		207,050	46%
Supplies & Postage		34,240		31,811		2,429	48,765		16,954	65%
Material & Equipment		18,951		19,916		(965)	35,150		15,234	57%
Computers and Peripherals		13,302		13,829		(527)	21,650		7,821	64%
Professional & Contractual		200,007		196,476		3,531	372,276		175,800	53%
Dues, Subscriptions & Fees		3,161		4,134		(973)	7,725		3,591	54%
Travel & Per Diem		18,937		19,421		(483)	45,820		26,399	42%
Training		4,684		7,613		(2,930)	13,120		5,507	58%
Advertising		7,341		4,478		2,863	12,640		8,162	35%
Banking & Insurance		21,499		22,359		(859)	49,220		26,861	45%
Vehicle Expense		5,221		5,995		(774)	12,000		6,005	50%
Utilities		104,320		102,005		2,315	241,927		139,922	42%
School District - Instructional		778,433		778,433		-	1,556,866		778,433	50%
School District - Activities		109,360		105,000		4,360	210,000		105,000	50%
Appropriations from the Assembly		21,130		25,804		(4,674)	32,500		6,697	79%
Building Maintenance & Repairs		18,004		4,936		13,067	38,500		33,564	13%
Discretionary Expense		1,847		1,039		808	2,800		1,761	37%
Work Orders		(67,876)		(83,829)		15,953	(130,450)		(46,621)	64%
Allocations		(367,419)		(373,564)		6,145	(737,489)		(363,925)	51%

	FY14 12/31/2013	FY15 12/31/2014	Yr to Yr VARIANCE*	FY15 BUDGET	BUDGET Variance*	% OF BGT
Operating Transfers - OUT fr General	25,000	21,500	3,500	43,000	21,500	50%
Operating Transfers - In fr Permanent	(75,000)	(133,500)		(267,000)	(133,500)	50%
TOTAL AREAWIDE EXPENDITURES	2,073,967	1,928,795	145,172	3,904,105	1,975,310	49%
NET REVENUE OVER EXPENDITURES	S \$ 326,701	\$ 726,917	\$ 400,216	\$ (60,194)	\$ 787,111	
02 TOWNSITE SERVICE AREA						
REVENUE						
Property Tax Revenue	195,547	202,461	\$ 6,914	405,500	\$ (203,039)	50%
Sales Tax	352,580	423,193	70,614	677,000	(253,807)	63%
State Revenue - Public Safety	288,525	198,212	(90,314)	387,220	(189,009)	51%
State Revenue - General	96,000	96,000		96,000	-	100%
Interest Earnings	-	-		2,500	(2,500)	0%
Miscellaneous Fines & Fees	2,083	3,573	1,490	4,200	(627)	85%
TOTAL TOWNSITE REVENUES	934,735	923,439	(11,296)	1,572,420	(648,981)	59%
EXPENDITURES						
Salaries & Wages	\$ 250,877	\$ 245,043	\$ 5,834	\$ 529,962	\$ 284,919	46%
Employee Burden	85,261	78,606	6,655	184,393	105,787	43%
Health Insurance	55,900	55,900		140,400	84,500	40%
Supplies & Postage	3,130	2,888	243	6,300	3,412	46%
Material & Equipment	94,953	65,256	29,697	120,450	55,194	54%
Computers & Peripherals	3,052	2,452	600	1,150	(1,302)	213%
Professional & Contractual	55,620	26,399	29,220	95,663	69,264	28%
Dues & Subscriptions	1,039	921	119	1,250	329	74%
Travel & Per Diem	7,065	6,099	966	6,450	351	95%
Training	1,165	425	740	4,800	4,375	9%
Advertising	1,179	665	514	1,250	585	53%
Banking & Insurance	12,354	11,085	1,269	26,670	15,585	42%
Vehicle Expense	57,489	26,885	30,603	101,950	75,065	26%
Utilities	37,169	32,459	4,710	76,600	44,141	42%
Work Orders	(35,633)	(59,699)	24,066	(78,200)	(18,501)	76%
Allocations	201,222	203,662	(2,440)	408,540	204,878	50%
Operating Transfers - OUT from TSA	290,668	-	290,668	233,000	233,000	0%
TOTAL TOWNSITE EXPENSES	1,122,511	699,046	423,465	1,860,628	1,161,582	38%
NET REVENUE UNDER EXPENDITURES	\$ (187,776)	\$ 224,393	\$ 412,169	\$ (288,208)	\$ 512,601	

<sup>\*</sup>Positive variance is favorable. Negative variance is unfavorable.

2/03/2015 - Police Department Report for the Manager

#### Police:

#### **Training efforts continue:**

- Chief Musser completed the two week APSC re-cert academy in Sitka on January 23, 2015.
- Officer Jason Rettinger has travelled to Anchorage to complete re-certification as our DataMaster (Intoxilyzer) Breath Testing Instructor. He also took the two Panasonic Tough Books received from AST a number of years ago so they could be upgraded and put back into use for doing Crash investigations. I had contact with AST and was advised we may also receive an additional two more of the Tough Books for use.
- Officer Dryden is preparing to leave next week for his basic academy in Fairbanks. He will be in attendance though the end of May.

#### **Request for Assessments:**

#### **Police and Dispatch Operations Needs Assessment:**

I have obtained a request for proposal from a AML law enforcement risk management specialist for the purposes of conducting a police department specific needs assessment to help plan and direct organizational activities with an emphasis on training and building public relations for the department. The assessment is a needs review with a focus on best practices for policing and dispatch operations. It is tied with opportunities for improvement and identifying trouble areas to mitigate risk exposure. It will provide areas of strength along with those areas of weakness, so I can better direct and plan for operational improvement.

The reason why I am requesting this assessment is multifold. I was hired with two goals of priority noted by the committee conducting the hiring process:

- The first being building a more professional police department that was responsive to and respected by the community. By objectives my hiring has been focused on experienced family oriented officers to replace those leaving the department. To date 2 such officers (half of the force) have been hired with this objective in mind. A third hiring is in process following the same focus.
- Second being to improve relationships within the community and rebuild trust of the department. My objective here remains leading by example to be involved in community functions, be approachable, and to be involved in key community groups that focus on a general approach to improving delivery of service and public safety. I have been active with in the community and I am a board member for Lynn Canal Counseling Services the major provider for mental health intervention for addictive behaviors (drugs and alcohol), anger management, and post traumatic stress (results of domestic and sexual assaults). I am also an advisory board member for our Domestic Violence and Sexual Assault counselor and in the process of working with her to help develop a Memorandum and Agreement between her organization and the police department for referral of victims in need of services. I also support the efforts to complete the domestic violence safe house know as Becky's Place.
- A third goal that ties with the above two is to train the police officers and dispatchers to a recognized best practices level. This is for the purpose of continuing to build professionalism and ensure they understand the need to be community focused in their activities as well.

I am requesting the assessment in part to ensure my evaluation, based on my initial understanding of the hiring priorities for the position, along with my first year of observation and evaluation of officer skills and abilities, and direct involvement in the community with its multitude of feedback avenues; is consistent and on track. It also provides me as the Chief, the Manager. and Assembly with validation as to if the department and I are on track.

Additionally, the assessment, which includes a survey element, will help to provide additional focus on public opinion as to what their perception is for needed improvement in the department. This will allow me to meet those needs once identified. The assessment also becomes a base line report card by which the Manager and the Assembly can measure success against. It becomes a strategic tool for me as the Chief, the Manager as my direct supervisor, and for planning efforts in terms of budgetary and mission priorities. For the Assembly it provides an operational and budgetary guide for police functions – it becomes a planning tool for all police functions, including dispatch.

The request for proposal was forwarded to Manager Sosa for review.

#### **Dispatch Equipment Assessment:**

Having the same concerns as noted above for the police and dispatch assessment and knowing the questions regarding our recent 911 upgrade, I have also initiated contact for an assessment of the current dispatch equipment set up. Our recent project was initiated by a committee with very good intentions, but lacking in specifics of what was needed in terms of equipment for an enhanced 911 dispatch environment. My intent with the dispatch equipment assessment is to have a consultant from within the industry (from Anchorage) look at our system and provide an evaluation of its expected life in terms of technological service years, upgrade potential (to digital from the narrow band analog), and how to best explore getting to a full enhanced 911 system.

The consultant is the State of Alaska NENA representative. NENA is the National Emergency Number Association, a professional association of 911 providers, dispatch administrators, and dispatchers that have pushed to establish the NENA standards recognized by the FCC for enhanced 911 operations and the Department of Homeland Security for emergency interoperability communications. This assessment will also look at what is the responsibility of the Haines Borough, our telcom provider (AP&T) and how to structure our surcharge based on current operational capability versus where we would like to be in terms of capability.

I am waiting for a request for proposal from the consultant.

#### **Year End Statistical Data**

Year End Statistical Numbers are listed below along with a comparison where available to 2013 statistical numbers.

#### **Year End Statistics for 2014 include:**

Police Number of Calls for Service 2014 1676
Police Number of Cases Initiated/Reports — 169
Police Number of Arrests 31
Dispatch Number of Requests for Service – 3898
Dispatch Service Reports 2625
Dispatch Number of 911 Calls 474

#### General Department Statistics 2014 and 2013

Crimes Against Persons	2014	201 3
Assaults	13	16
DV Assaults	3	15
DV Disputes	20	23
Sexual Assault	3	0
SAM	9	3

DUI	16	13
Driving Suspended		
or Revoked	4	7

	201		201
Traffic	4		3
Traffic Stops		261	377
Citations		33	83
Warnings		183	315
Parking Violations		48	7
Parking Cites		24	45
Collision Reports		30	34

Jail Statistics - 2014 HBPD Arrests 31
Male – 23 Female - 6
AST Arrests 7
Male – 6 Female – 1
Remand/Serving Sentence 12  Male – 8 Female – 4
Title 47 (Noncriminal hold) 6 Male – 3 Female - 3

Crimes Against Property	2014	201
Burglary	11	5
Theft	58	81
Fraud	20	18
Criminal Mischief	16	23
Trespass	13	48
Vehicle Theft	5	3

Disturbances Disorderly	40	39
Conduct	15	5
Welfare Checks	57	65

Animal Complaints		
Dog calls	210	188
Dog Bites	7	4
Bear	119	49

#### Dispatch:

New Hire Linda Waldo is entering her final week of training and should be up and running on her own by Feb. 16, 2015.

The 911 system experienced a temporary shutdown and AP&T was able to get us back up and running. The problem appeared to be a wiring issue, which was corrected.

APSIN is currently down due to a malfunctioning card on the state end. The card is in the router from the state located at the Fish and Game office. The card is on order and expected to be replaced with in the next two weeks. We are using access with Skagway and AST dispatch Ketchikan at this time.

#### **November Statistics**

Visits: 5,627 Monthly Circulation: 6,735

Internet Use: 1,180, Wi-Fi: 1,006

Meeting Room Use: 41, Attendance: 238 Library Programs: 43, Attendance: 766

Non-Library Programs: 5, Attendance: 69

December 17, 2014 Director's Report

#### **Updates**

#### Staff:

- Holly Davis was chosen to present a session at the upcoming Alaska Library Conference in February. The title of her session is *Channel Your Creativity: Children's Programs that Flow.* Congratulations to Holly.
- Abbie Diggins began work in a temporary position on Dec. 8 and will work through January 10<sup>th</sup>. Rebekah Green will begin on December 22 and work through January 12. Their wages will be covered by the Friends of the Library.
- As part of our new grant project, we will be advertising and hiring an IT Assistant. The IT
  aide will work closely with Erik to learn and then assist in a variety of technical activities
  related to the project. The position includes assisting the Education Coordinator with
  project related programs. Training will be provided for an individual interested in
  writing code for web design and Facebook apps.
- Janine Allen & Jen Kain are on vacation until the end of December. Reba Heaton will be off from Dec. 22 -31.

#### Technology and Circulation System:

- Erik worked with Warren on the memory upgrade for the shared Borough-Library server on December 4<sup>th</sup>. On December 9<sup>th</sup>, ESI had the circulation system upgrade complete by 10am. The upgrades to the circulation system are essential so our existing system remains supportable. The costs of the memory upgrade and the two-tiered circulation system upgrade were covered by grant funds and support from the Friends of the Library.
- The state Joint Library Catalog project was notified that they will receive \$300,000 from the Rasmuson Foundation to expand the project. The goal is to migrate 50 libraries from their current library systems to the Joint Library Catalog. As a result, the shared catalog will serve more than half of the state's population and will set the stage for future expansion. The expanded system will provide more resources to more Alaskans while reducing the total operating costs among the participating libraries.
- We received 6 AWE tablets through the OWL project. The tablets are a mobile version of the workstations we currently have in the children's room. The tablets feature rich educational content in seven curricular areas. We are in the process of cataloging these items and creating policy for check-out.

# Haines Borough Public Library

• AP&T removed the AP&T wireless hotspot from the library. I was told that it was because it was not being used. In the past, we had been offering the AP&T connection as an alternative for those who thought our connection was too slow.

#### Grants:

- Statistical tables, quotes, pictures and charts have been compiled for the final narrative and financial report for the Storyboard Project, Enhancement grant 2011.
- Enhancement grant, 2014 Doorways to the Past, Gateway to the Future: The Ikaduwakaa Project. The project has 3 goals which include cultural programming, digital literacy and technology classes, the development of a Storyboard game which involves creating new content for the project web and Facebook pages and building a Tlingit and Native collection of materials and information while expanding the means of access to the available information. Last week, Jessie, Erik, James & I met with a focus group to brainstorm ideas about the gaming portion of our new Enhancement grant. It was an informative and fun meeting. Erik and James have already created a beginning prototype for the iPad game.

#### Other:

- In response to library patrons' comments, we have rearranged the fiction DVD section into 3 categories: feature films, foreign language films and TV shows/series. Positive comments were received immediately. The split into three categories made browsing easier.
- Jedediah has been working on weeding of the science fiction section. Following the weeding process, we will be creating a fantasy section near the science fiction section. Staff feels this will lend consistency to cataloging and organization in this area.
- The Holiday Open House was a wonderfully successful event. Attendance was around 260 with funds raised at \$3,340. The lighting committee worked hard to bring the event together in a matter of a week. The Friends dedication and hard work with this event makes it continue to be a popular event for the community and a successful event for the library. After evaluating this year's event, it was determined to return to the original name of Lighting of the Library and change the hours until 6pm to accommodate schedules of business people.

#### Capital Campaign:

- The Publicity Committee met on Nov. 25. The Donor Recognition Committee met on Dec. 3 and the Finance Committee met on Dec. 11. Meetings from each of these meetings will be available through Smartsheet.
- I continue to work on adding information to Smartsheet. We've purchased an annual subscription. Information and updates will be available to all group and committee members prior to our meeting on Saturday, Jan. 10. The meeting is planned from 9am noon.

# Haines Borough Public Library

### Upcoming:

- The library will be closed on December 24, 25 and Jan. 1 for Borough holidays. As in prior years, we will be closing at 5pm Dec.29-31 to give our volunteers a holiday break.
- Alaska Library Network (ALN) meeting via teleconference, Monday, Jan. 5
- Alaska Library Association Executive Council Meeting via OWL, Jan. 20
- Alaska Library Association Conference, February 26 March 1, 2015.

## Haines Borough Public Library Board Approved Meeting Minutes December 17, 2014 4:00 PM

The mission of the Haines Borough Public Library is to be responsive to community needs by assembling, preserving and providing access to materials, information, and technology. Therefore, the Library will offer an environment conducive to providing programs, sharing information, and stimulating ideas. The library will be a community gathering place where all ages are welcome.

#### Call to Order - 4:03pm

Present - Lorrie Dudzik, Anne Marie Palmieri, James Alborough, Patty Brown, Stacey Gala, Cecily Stern on Skype

Excused - Heather Lende, Theresa Wirak, JoAnn Ross Cunningham, Dick Flegel

#### Additions or Revisions to Agenda - add letter of commitment to items for discussion

#### **Consent Agenda Items**

The following items are consent items for final action to be taken on all by a single vote. Any item may be removed for separate consideration if necessary. Lorrie/Stacey moved/seconded to approve consent agenda as amended. Approved

- 1. Approval of Agenda
- 2. Approval of Minutes 11/19/2014
- 3. Director's report

#### Correspondence

1. Letter from Senator Murkowski to congratulate library on being a star library. We will put it in the local paper in January.

#### **Items for Discussion**

- Review of FY15 budget and budget amendment
- FY16 budget planning initial discussion
- Review of Library Board bylaws Anne Marie/Stacey moved/seconded to allow Patty to make editorial corrections to reflect our new status as a borough department. Approved
- Election of officers James-chairperson, Stacey-vice chair/chair elect, Dick-treasurer, Lorrie-secretary Anne Marie/Cecily moved/seconded to approve slate, pending Dick's acceptance of his position. Approved
- Amendment to bylaws- It is the intent that the chair serve one year at a time and be succeeded by the vice chair/chair elect in order to broaden experience and utilize diverse skills of board members. Cecily/Anne Marie moved/seconded to approve amendment. Approved
- Letter of commitment to the Joint Library catalog which will include libraries statewide. James/Anne Marie moved/seconded to write the letter of commitment. Approved

**Policy Review:** Services of the Library - to be reviewed by policy committee **Other** 

□Radio: December 19 - Friends, January 9 - Stacey, January 16 - Heather? **Board Comments:** Capital Campaign committees have been meeting productively.

**Director's Comments:** More donations continue to come in.

**Next Meeting:** January 21, 2015 4:00pm, Capital campaign meeting - January 10, 2015 9-12 **Adjournment -** 5:12pm

#### Parks & Recreation Advisory Committee (PARC)

October 23, 2014

Location: Library Conference Room

Members Present: Rich Chapell, Susan Luescher (telephonically), Ron Jackson, Daymond

Hoffman, Jon Gellings, Ginger Jewell, George Campbell, Al Giddings

Absent: Meredith Pochardt

Visitors: David Sosa, Jan Hill, Mike Case, Diana Lapham, Krista Kielsmeier, Jordan Badger, Patty

Campbell, Will Prisciandaro, Thomas Kain

Call to Order: 5:30pm

#### **APPROVAL OF MINUTES**

Hoffman moved to approve the minutes from 9/18. Passed unanimously

#### **PUBLIC COMMENTS**

Lapham asked about the status of the trail markers for Mount Riley. Jackson said he got a call from AML that they are in and can be put up this winter. Jackson said residents have volunteered to place them as they go hiking.

#### **NEW BUSINESS**

#### **Haines Motorized Use Recreation Park**

**Discussion:** George Campbell said his proposal is due to motorized restrictions that have happened throughout the country the last 15 years, including in Juneau and a stretch of Chilkat River beach. He is looking for a place for motorized use in town where families can take kids after work. The area would be designated for motorized use, but not necessarily developed at this time. Areas for mountain biking also should be discussed. He said three good locations are near the dump, which is an industrial area, behind the fairgrounds, and near Jones Point. The last two are not on Borough land, and he wants the motorized use area to have no cost to the Borough.

Patty Campbell, as a representative of the Chilkat Snowburners, said she agrees with setting aside an area for motorized use, especially to encourage after school activity for kids.

Additional public comments mentioned the need for time limits on motorized activity; questions regarding development, maintenance and liability; and a timeline for when development should occur.

George Campbell said motorized users are very industrious and, when it comes time to develop the motorized area, some group will get together and want to do it. His idea is to hand off the responsibility to a nonprofit to develop the land. He estimates the area would be approximately 25 acres.

Sosa said there is an opportunity to set aside land for motorized use for a specific amount of time. He recommends a working group for planning. He has a planning template and could work with the group. The planning commission will look at the proposal from a land-use perspective.

Hoffman said the community and economic aspects of this proposal are applicable for other recreational opportunities, such as mountain biking, hockey, soccer or a tennis court, and he is in support. He does have concerns about proper regulation, such as for late-night motorized use. George Campbell said he thinks the current noise ordinance would address that issue.

Gellings moved to form a working group to investigate the idea of a motorized park in the townsite, with Gellings as chair.

Passed unanimously

In discussion of the motion, Jewell recommended that planning commissioners, neighbors and motorized users be considered for inclusion in the working group. Sosa said he would help facilitate. Gellings volunteered to chair and said he would seek participants via the newspaper, community website and word of mouth.

#### **Land and Water Conservation Fund Grant**

**Discussion:** George Campbell asked whether the Battery Point trail is eligible for this grant funding. Kain responded yes, but said there are concerns about the matching requirement of the grant. Luescher noted in-kind donations are an option for the matching portion. Discussion referenced the short timeline to apply for the 2014 grant cycle and the need to better understand the matching requirement before proceeding in an upcoming year.

#### **Takshanuk Watershed Council Proposals**

**Discussion:** The committee examined a Takshanuk Watershed Council proposal for interpretive displays at Picture Point, including totems and Tlingit culture, birds and other natural features of the area. Lapham suggested Takshanuk coordinate with the Picture Point Design Committee.

Takshanuk also has a proposal for invasive plant educational materials, such as leaflets and booklets, at trailheads in the Haines area. Sosa said he met with Meredith Pochardt in her role

as Takshanuk's director to discuss invasive plants and the Northern Lynn Canal cooperative weed management area and whether the Borough would form a memorandum of agreement for addressing invasive plants.

Gellings noted in his prior position with the Bureau of Land Management in Anchorage, he had extensive experience dealing with invasive species. He presented some educational materials to the committee. Gellings said one example of a step to help with invasive plants was in Kenai, where boot brushes were placed at trailheads. More money spent now on this topic is less money spent in the future if the problem becomes more widespread.

Sosa said some of the invasive plants can only be controlled with herbicides. Gellings said there are chemical, mechanical and biological controls, but, as an example, there are no biological controls for orange hawkweed, and mechanical pulling can take many years for desired results. Jackson said education at the boat ramps also would be important. Kain said he would speak with Takshanuk about educational materials at state park trailheads.

#### **OLD BUSINESS**

#### **PARC Mission, Vision and Goals**

After several edits, the committee agreed with the following wording:

The mission of the Haines Borough Parks and Recreation Advisory Committee is to explore, advocate, support, and promote new and diverse recreation, wellness, and leisure opportunities for the community, while facilitating the maintenance, financial support, and improvement of existing facilities and/or opportunities.

We envision a community that supports wellness for all of its residents and visitors through a broad and diverse range of year-round recreation and leisure activities.

#### **Guiding Principles:**

Provides and improves access to recreational lands;

Activities that promote a healthy lifestyle;

Respect for the diverse nature of our stakeholders who value different aspects of recreation; Knowledge of current and emerging trends in recreation and leisure activities.

#### **NEXT MEETING**

November 20 at 5:30pm

Hoffman moved to adjourn at 7:10 p.m. Passed unanimously

#### Parks & Recreation Advisory Committee (PARC)

November 20, 2014

Location: Library Conference Room

Members Present: Rich Chapell, Jon Gellings, Daymond Hoffman, Ginger Jewell, Meredith

Pochardt

Absent: Susan Luescher, George Campbell, Al Giddings

Visitors: Krista Kielsmeier Call to Order: 5:37pm

#### APPROVAL OF AGENDA

Pochardt requested to add "talk about members" to the agenda, due to Ron Jackson's seat being vacant after his election to the Haines Borough Assembly.

Hoffman moved to approve the agenda, with Pochardt's amendment.

Passed unanimously

#### APPROVAL OF MINUTES

Gellings moved to approve the minutes from 10/23. Passed unanimously

#### **PUBLIC COMMENTS**

None

#### **NEW BUSINESS**

Haines Motorized Use Recreation Park Working Group/Upcoming PARC Goals and Projects

**Discussion:** Jewell said the next step is a strategic plan, with a few goals. A very broad goal would be to increase recreational opportunities, and other objectives would be listed under that goal as an action plan. For motorized use, the broad goal would be to provide an ATV park within the townsite. She said goals should be Specific, Measurable, Attainable, Realistic, Time-Driven (SMART).

Gellings said he volunteered to chair the working group at the October meeting, but he has some school and other responsibilities that might conflict.

Hoffman volunteered to serve as chair, noting he previously chaired a heli-skiing map committee. He said the borough manager has a template for the working group to assist with the process.

Chapell said PARC should do outreach to see who is interested in serving on the working group.

Hoffman said he would use a similar approach as the heli-skiing map committee that avoided discussion of whether heli-skiing should be allowed, but instead focused on "how can we do it?" Jewell agreed the group isn't so much giving an opinion, but identifying some places that might work.

Chapell said he wants to make sure people impacted in the proposed areas are informed early in the process.

There was discussion of the potential make-up of the group, with suggestions that members represent the planning commission, adjacent landowners, potential park users, etc.

Pochardt said when looking at setting aside areas for recreational use, the borough must work within current zoning regulations and see whether a change in the zoning is needed. Gellings suggested looking over a copy of the borough comprehensive plan at the next meeting, specifically portions on recreation and zoning.

In further discussion of expanded recreational opportunities, Jewell recommended a community survey, such as online through SurveyMonkey, to weigh community priorities. Pochardt said there is a chart in the comprehensive plan that shows recreation priorities. A town hall meeting would be another way to seek community input.

Jewell said her opinion is that an easily accessible recreation center would be a money maker, with business from cruise ship visitors, the Aspen Hotel, etc. If someone doesn't champion something, you write it off. She is looking into whether the recreation center could be a school project eligible for state funding, possibly combined with repairs and ADA upgrades to the pool.

Gellings asked about "dreams for recreation in the Haines area," and group members responded with projects including public use cabins, a ski resort, a recreation center, a hockey rink/tennis court hybrid, and an improved soccer field.

Jewell volunteered to put together a skeleton of a strategic plan and e-mail it to PARC members. Recreational opportunities should appeal to "diverse stakeholders," as stated in the mission/vision statements for PARC.

#### **PARC Membership**

**Discussion:** Chapell said Pochardt's term is about to expire.

Chapell moved to re-appoint Pochardt.

Passed unanimously

Chapell suggested contacting the Chilkat Snowburners and Haines Sportsman's Association to see if there is interest in joining PARC. Jewell noted the departing Ron Jackson represented the senior community. Hoffman suggested contacting Joan Snyder or Susan Tandy to see if they are interested.

#### **NEXT MEETING**

January 22 at 5:30pm

The meeting adjourned at 7:09 p.m.

#### Haines Borough Ports and Harbor Advisory Committee Minutes for Meeting of January 5, 2015

Topic of meeting was 35% design South Portage Cove review.

Quorum was present of Don, Bill, Fred and Norman. Joanne, Shawn were also present.

Action taken at meeting was for Norman to compile the comments of the committee and public. These comments were to be forwarded to the Haines Borough and then to PND in Juneau.

Don was endorsed on the behalf of Harbor committee to look at harbor budgets and report back at the next harbor committee on January 26.

Norman Hughes, chair, Haines Borough Ports and Harbor Advisory Committee

#### Haines Borough Ports and Harbor Advisory Committee Minutes for Meeting of January 26, 2015

Quorum was present of Terry, Bill, Don, Glen and Norman. David Sosa, Phil, Shawn, Mike Case, Karen CVN were also present.

After Manager and Harbormaster's report, committee discussed CIP list, raw fish tax, budgets, fee schedule and rest rooms, which will be addressed again at February 23 committee meeting.

Committee reviewed Harbormaster's recommended code change to 16.28.010 HBC.

Committee voted to forward 16.28.010 Prohibited acts code D. addition to Haines Borough Assembly for their consideration (see below).

Norman Hughes, chair, Haines Borough Ports and Harbor Advisory Committee

\_\_\_\_\_\_

At the 1-26-15 Haines Borough Port and Harbor Advisory Committee meeting, the committee reviewed the Harbormaster's recommended code change to 16.28.010 HBC.

Committee voted to forward 16.28.010 Prohibited acts code D. addition to Haines Borough Assembly for their consideration.

#### **Chapter 16.28**

#### HAZARDOUS CONDITIONS, PROHIBITED ACTS AND ENFORCEMENT

D. To throw or otherwise cause to be deposited gasoline, oil, trash, garbage or refuse on any float or into the water of the borough port and harbor facilities. To use the borough port and harbor refuse containers for nonharbor or nonport use. It is prohibited to leave snow removed from vessels on any dock, float, or finger. To create construction or project waste and dispose of it in the harbor refuse containers. Vessel construction or project waste shall be taken by the owner or contractor directly to the landfill.

Norman Hughes, chair, Haines Borough Ports and Harbor Advisory Committee

#### Public Safety Commission Meeting Minutes for December 8, 2014

Present: Jim Stanford, Chief Musser, Judy Ewald, Judy Erekson, Kay Clements, Diana Lapham, Bob Duis excused.

Guests: Tom Morphet, Dave Kyle and Mayor Jan Hill.

JE approved the agenda, JLE 2<sup>nd</sup>.

KC moved to approve minutes, JS 2<sup>nd</sup>

Unanimous approval, will be forwarded to JCozzi.

#### **Public Comment:**

Public Comment: Lt Kyle of Salvation Army referenced the discussions over the future of the Mosquito Lake School and its potential as a shelter, community center etc.

In terms of disaster planning and/or an actual disaster, the Salvation Army offers themselves to help in whatever way they can be useful, i.e. the Red Cross standard.

Winter water safety was brought up as a concern. Do we need educational posters reminding residents of the possibility of falling thru the ice? Something Fireman Al might address on the radio along with a bulletin on air noting the dangers if irregular freezing and how dangerous it can be for recreationalists.

#### **Old Business:**

KC – following up on grant for Radio in a Box. Not much response, dug deeper and found out the umbrella agency managing the grant was fired. Still trying to get to the bottom of who is in charge.

Thoughts and ideas on what would be helpful and needed for crisis on a practical level: blankets and food, vehicles and drives. Would an MOU from local government facilitate the process of emergency disbursement? Example: Salvation Army has resources but what is the chain of command to mobilize? Is there a standing order to allow for independent entities to work alongside as volunteers? What is liability?

Agreement to draft letter to the Manager and Assembly asking for guidance on role of PSC in disaster planning, referencing the above questions, but also to find out what our role is so we are all clear. KC moved that Jim Stanford write and send letter, JLE 2<sup>nd</sup>.

#### **New Business:**

KC asked the Chief to explain Haines protocol for Use of Force which he patiently did going thru the levels of intensity. He explained that we are following the nation and state models.

Next meeting is January 26<sup>th</sup>, 5:30pm Council Chambers

JE moves to adjourn, KC 2<sup>nd</sup>.

# Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-544
Assembly Meeting Date: 2/10/15

Business Item Des	<u>-</u>		Attachments:	
Subject: Support Reinstatement of a Full \$60 Million into the Revenue Sharing Fund on a Yearly Basis Originator:		1. Resolution 15-02-611		
		3	2. E-mail from Kathie the Alaska Municipal	Wasserman (executive director of
			3. AML Resolution #2	
Borough Manager				
Originating Department: Administration				
Date Submitted:				
1/28/15				
Full Title/Motion:				
	15.02.611			
Motion: Adopt Resolution	15-02-011.			
Administrative Rec				
This resolution is recomm	ended by the Borough I	Manage	er on behalf of the Alas	ka Municipal League (AML).
Fiscal Impact:				
Expenditure Required	Amount Budgeted	Appr	opriation Required	Projected Impact to Future
Experianture Required	Amount budgeted	Аррі	opriation Required	Operating Budgets
\$0	\$0	\$ 0		TBD
Comprehensive Pla	an Consistency Pa	aview	7•	
Comp Plan Goals/Object		CVICV	•	
			Consistent: ■Yes	□No
Summary Stateme	nt:			
			live et ev ef the Aleelse M	unicipal Lagrus AMI presided a
				unicipal League. AML provided a drequested communities pass their
own versions to submit to t				
Referral:				
Referred to:			Referral Date:	
Recommendation:				leeting Date:
Assembly Action:				
Meeting Date(s): 2/10/1	5		Public Hearing Dat	e(s):
i .			Postpopod to Dato	

#### HAINES BOROUGH, ALASKA RESOLUTION No. 15-02-611

# **Draft**

A Resolution of the Haines Borough Assembly supporting the reinstatement of a full \$60 million into the Revenue Sharing fund on a yearly basis with a one-year appropriation of \$8 million to the fund with an effective date prior to June 30, 2015.

**WHEREAS**, all of Alaska's boroughs and cities are appreciative to the Governor and the Legislature for the continuation of the Revenue Sharing program; and

**WHEREAS**, since 2008, municipalities have received a total of \$60 million per year to be divided among all boroughs, cities and unorganized communities in the State; and

**WHEREAS**, this money is a small share of the resource funding that is provided to the State; and

WHEREAS, \$60 million is also a small part of the total state-wide budget for the year; and

WHEREAS, municipalities are political subdivisions of the State of Alaska; and

**WHEREAS**, boroughs and cities can only raise their own money through increased taxes and/or fees; and

**WHEREAS**, in the past 2014 Legislative Session, the amount deposited into the Revenue Sharing fund dropped to \$52 million; and

WHEREAS, the larger municipalities use these funds to keep taxes as low as possible; and

WHEREAS, the smaller municipalities use these funds to provide basic services, such as snow removal, public building maintenance, harbor upkeep, fuel and insurance,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly requests the Alaska State Legislature to reinstate the amount of \$60 million on an annual basis into the Revenue Sharing Fund and also that the Alaska State Legislature appropriate an additional \$8 million to the fund with an effective date prior to June 30, 2015.

Adopted by a duly-constituted quorum of th, 2015.	ne Haines Borough Assembly on this day of
Attest:	Janice Hill, Mayor
Julie Cozzi, MMC, Borough Clerk	

### Krista Kielsmeier

**Subject:** RE: Revenue Sharing Resolution

From: Kathie Wasserman < <a href="mailto:kathie@akml.org">kathie@akml.org</a> Date: January 28, 2015 at 3:30:22 PM AKST

To: Undisclosed recipients:;

**Subject: Revenue Sharing Resolution** 

Well,

That time is upon us. The Legislature has been in session for less than two weeks. Since even BEFORE session began, a few Legislators made public statements that Revenue Sharing was most likely over. Well, needless to say, this defined our work requirements. We, at AML, have been putting figures, backup documents, etc. together. We all have much to do. We will NOT be asking for an increase in Revenue Sharing; we understand and acknowledge the State's fiscal situation. However, the amount that the Governor has put forth during his State of the Budget address is \$57 million. That is actually \$3 million less than we received last year. The Legislature can very easily sweep that whole amount. We need to defend that amount all through the Legislative process. This is where we will begin to need your help.

Attached, I have included the resolution that AML adopted in Anchorage in November during our Annual Conference. If EACH and EVERY municipality were to pass this resolution with your own city listed (rather than AML), we would take the whole pile up to the Legislature. This is just the beginning. This pile of resolutions will show the Legislature that the support is state-wide. If possible, I would like to have resolutions back from ALL of you. If you have any questions or want to discuss this, feel free to call me. This is only the beginning of our "package" to take up on the hill. We will be leaning on all of you for figures, back-up documents, etc.

While we want to be part of the solution in this time of fiscal troubles, we know that as the state cannot wisely stop all provisions and/or stop all money spent on government, local government cannot afford to be shut off from all monies from the State. As political subdivisions of the State, we are the ones that provide basic local services. We need to make sure that the Legislature holds a conversation with us about any financial impacts that they attempt to impose on us.

It might be a long session
Kathie



Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

#### **ALASKA MUNICIPAL LEAGUE**

#### **RESOLUTION #2015-01**

A RESOLUTION SUPPORTING THE REINSTATEMENT OF A FULL \$60 MILLION INTO THE REVENUE SHARING FUND ON A YEARLY BASIS WITH A ONE-YEAR APPROPRIATION OF \$8 MILLION TO THE FUND WITH AN EFFECTIVE DATE PRIOR TO JUNE 30, 2015

WHEREAS, all of Alaska's boroughs and cities are appreciative to the Governor and the Legislature for the continuation of the Revenue Sharing program; and

WHEREAS, since 2008, municipalities have received a total of \$60 million per year to be divided among all boroughs, cities and unorganized communities in the State; and

WHEREAS, this money is a small share of the resource funding that is provided to the State; and

WHEREAS, \$60 million is also a small part of the total state-wide budget for the year; and

WHEREAS, municipalities are political subdivisions of the State of Alaska; and

WHEREAS, boroughs and cities can only raise their own money through increased taxes and/or fees; and

WHEREAS, in the past 2014 Legislative Session, the amount deposited into the Revenue Sharing fund dropped to \$52 million; and

WHEREAS, the larger municipalities use these funds to keep taxes as low as possible; and

WHEREAS, the smaller municipalities use these funds to provide basic services, such as snow removal, public building maintenance, harbor upkeep, fuel and insurance.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League requests the Alaska State Legislature to reinstate the amount of \$60 million on an annual basis into the Revenue Sharing Fund and also that the Alaska State Legislature appropriate an additional \$8 million to the fund with an effective date prior to June 30, 2015.

# Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-546
Assembly Meeting Date: 2/10/15

		-	Assembly	weeting Date: - 1.10/10	
Business Item Des	•		Attachments:		
Subject: Authorize MOA with DOT&PF for Klehini Bridge Replacement and Transfer Project Originator:		ni	Resolution 15-02-612     DOT&PF Letter and Supporting MOA Documents     3. E-mail Communication with Matt Van Alstine,		
			Engineering Manage		
Borough Manager					
Originating Department: Administration					
Date Submitted:					
2/3/15					
Full Title/Motion:					
Motion: Adopt Resolution	15-02-612.				
'					
A					
Administrative Rec		14			
This resolution is recomm	ended by the Borough i	vianage	er.		
Fiscal Impact:					
Expenditure Required	Amount Budgeted	Appr	opriation Required	Projected Impact to Future	
			' '	Operating Budgets	
\$0	\$0	\$ 0		See Attached	
Comprehensive Pla	n Consistency Re	eview	<b>':</b>		
Comp Plan Goals/Object	tives:				
Objective 2C, Page 57			Consistent: Yes	□No	
Summary Statemer	nt:				
				ip and maintenance responsibility of	
				ntly proposed a Memorandum of	
				nsfer project. The project will include mored river embankments and the	
				tion funds for planning, design, and	
				y for the existing bridge, Porcupine	
				n of the project, the Borough shall	
				ated rights-of-way, and the Borough	
its junction with Haines Hig				pject, including Porcupine Road from	
nto junotion with riames ring		TOTILING	Lake Roda.		
Referral:					
Referred to:					
Recommendation:			N	leeting Date:	
Assembly Action:					
Meeting Date(s): 2/10/1	5		Public Hearing Dat	e(s):	

Postponed to Date:

#### HAINES BOROUGH, ALASKA RESOLUTION No. 15-02-612

**Draft** 

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to enter into a Memorandum of Agreement with the Alaska Department of Transportation and Public Facilities for the Haines – Klehini Bridge Replacement and Transfer project.

**WHEREAS**, the Haines Borough on 6/20/2000 adopted Resolution #494, accepting ownership and maintenance responsibility of Klehini Crossing, the Porcupine Road and the Chilkat Lake Road; and

WHEREAS, the Alaska Department of Transportation and Public Facilities (DOT&PF) recently proposed a Memorandum of Agreement (MOA) with the Haines Borough for the Haines – Klehini Bridge Replacement and Transfer project, with construction anticipated to commence in the spring of 2016 and be completed by fall of 2017; and

**WHEREAS**, the project will include road realignment and new pavement, drainage improvements, guardrail, rock-armored river embankments and the proposed Klehini River Bridge, with DOT&PF using Federal Highway Administration funds for planning, design, and construction; and

**WHEREAS**, the Borough currently owns and has full maintenance responsibility for the existing bridge, Porcupine Road and Chilkat Lake Road; and

WHEREAS, according to the MOA, upon substantial completion of the project, the Borough shall retain its current maintenance responsibilities for these facilities and their associated rights-of-way, and the Borough shall assume responsibility for maintenance of all improvements made by the project, including Porcupine Road from its junction with Haines Highway to its junction with Chilkat Lake Road; and

**WHEREAS**, the Borough Manager recommends approval of the MOA due to the mutual benefits of the project,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly authorizes the Borough Manager to enter into a Memorandum of Agreement with the Alaska Department of Transportation and Public Facilities for the Haines – Klehini Bridge Replacement and Transfer project.

Adopted by a duly-constituted quorum of the, 2015.	Haines Borough Assembly on this day of
Attest:	Janice Hill, Mayor
Julie Cozzi, MMC, Borough Clerk	



# Department of Transportation and Public Facilities

Southcoast Region
Design & Engineering Services
6860 Glacier Highway
P.O. Box 112506
Juneau, Alaska 99811-2506
Main: (907) 465-4456
Cell: (907) 957-5310
Fax (907) 465-4414
dot.state.ak.us

January 29, 2015

Haines Borough Attn: Mr. David Sosa, Borough Manager P.O. Box 1209 Haines, Alaska 99827

Re: Klehini River Bridge, State Project No. 69377, STIP Need I.D. No. 22136

Dear Mr. Sosa:

Thank you for this opportunity to provide information concerning the Klehini River Bridge replacement project. The Alaska Department of Transportation and Public Facilities (DOT&PF) chip sealed Chilkat Lake Road in 2003 to fulfill our responsibilities in accordance with Haines Borough Resolution #494 (the "Resolution"). In addition, we intend to replace the existing bridge and realign Porcupine Road (the "Project") from Haines Highway to Chilkat Lake Road, as indicated in further detail below. This letter will summarize mutual benefits of the Project to Haines Borough and DOT&PF, with the intent that both parties come to agreement and sign the attached Memorandum of Agreement (MOA).

We anticipate environmental document approval late this winter. Our intent is to complete final design this summer and award a contract this fall. Construction is anticipated to commence in the spring of 2016 and be completed by fall of 2017. Traffic interruption is anticipated to be minimal, as the existing bridge will remain in service until the proposed bridge is complete. The existing bridge would be demolished after completion of the proposed bridge.

Most bridges in the State are inspected every two years by our Bridge Section. The existing bridge is demonstrating noticeable and progressive deterioration every time we inspect it. This condition necessitates inspection two to three times per year. Approximately twenty cracks in the steel members have been identified that are serious enough to require regular inspection. At least one of these cracks is in a critical member, and it is has grown longer since the last time we inspected it. It is a matter of time before this crack alone could necessitate closure of the bridge. The existing bridge was designed to last fifty years, yet it has been in service for over eighty years. To state the situation succinctly, load rating of the existing bridge will continue to decrease until it reaches a point where we need to close it. We cannot say how long the existing bridge will remain in service, but it is only a matter of time before the bridge will need to be closed permanently.

The most immediate risks to the existing bridge are unpermitted crossings by heavy vehicles and vehicles exceeding height limitations. Either of these risk factors could result in irreparable damage and permanent closure.

We propose replacing the existing bridge with a decked bulb-tee girder structure, similar to the Gakona Bridge, which is located at milepoint 1.8 of the Tok Cutoff Highway. A photograph of the Gakona Bridge is attached for reference. The bulb-tee girder style of bridge has proven to be the most cost effective bridge type in Alaska. Structurally, the proposed bridge is designed to be maintenance free for 75 years, with minor non-structural related expenses, as noted below. Local examples of bulb-tee girder bridges are Big Boulder and Little Boulder bridges on the Haines Highway, which are approximately 23 years old. Bulb-tee girder bridges in other parts of the State are over forty years old. The history of these

bridges has proven that routine maintenance is limited to crack sealing of asphalt on the bridge deck and removal of sand placed on the bridge deck during the winter. The same outstanding performance can be expected from the proposed Klehini Bridge.

Expenses that could be incurred by Haines Borough for the proposed road and bridge are summarized below.

- Repair of damage to bridge rail and guardrail on the road due to errant motorists striking the railings.
- Haines Borough may elect to sand the road in the winter time. This sand will eventually migrate down the side slopes into the proposed ditches. Sand should be removed every five to ten years from the ditches to assure proper drainage.
- Similarly, if Haines Borough elects to place sand on the bridge in the winter, it should be removed annually to assure proper drainage of water from the bridge deck.
- Cracks may form in asphalt pavement installed on the road and the bridge due to heat expansion in the summer and cold contraction in the winter. Cracks should be sealed every two to three years.
- Brushing of side slopes adjacent to the proposed road should be accomplished every two to three years.

Our experience indicates all of the costs discussed above would average \$2,500 per year, for the first twenty years after construction. This estimate does not include snow removal. I understand that cost for damage to bridge railing and guardrail can be recovered through the responsible party's insurance policy, so actual costs to Haines Borough could be lower than this figure.

The top two inches of asphalt pavement (including asphalt on the proposed bridge deck) must be replaced approximately every twenty years. At that time, guardrail should be considered for upgrade or replacement as well. Based on recent history of our projects, cost for this type of work ranges from approximately \$0.5 to \$1 million per mile.

If you have comments or questions concerning this letter or the MOA, please feel free to contact me.

Sincerely.

Matt Van Alstine, P.E. Engineering Manager

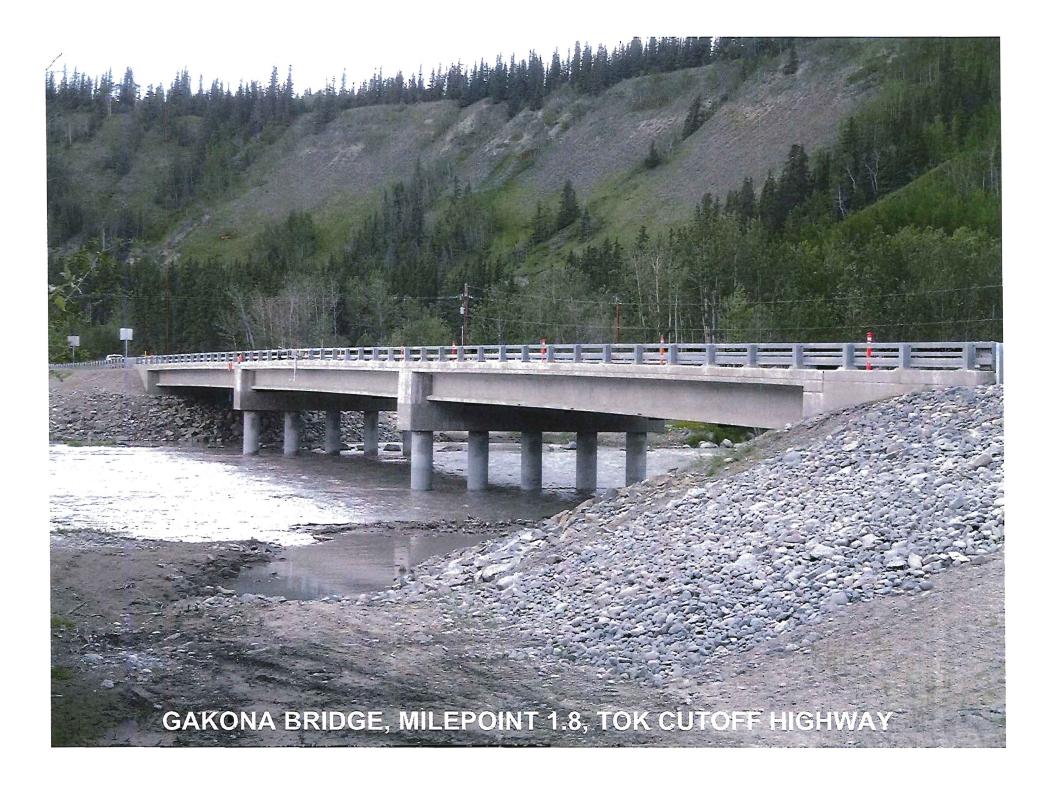
Dept. of Transportation & Public Facilities Southeast Region Design, Juneau, Alaska

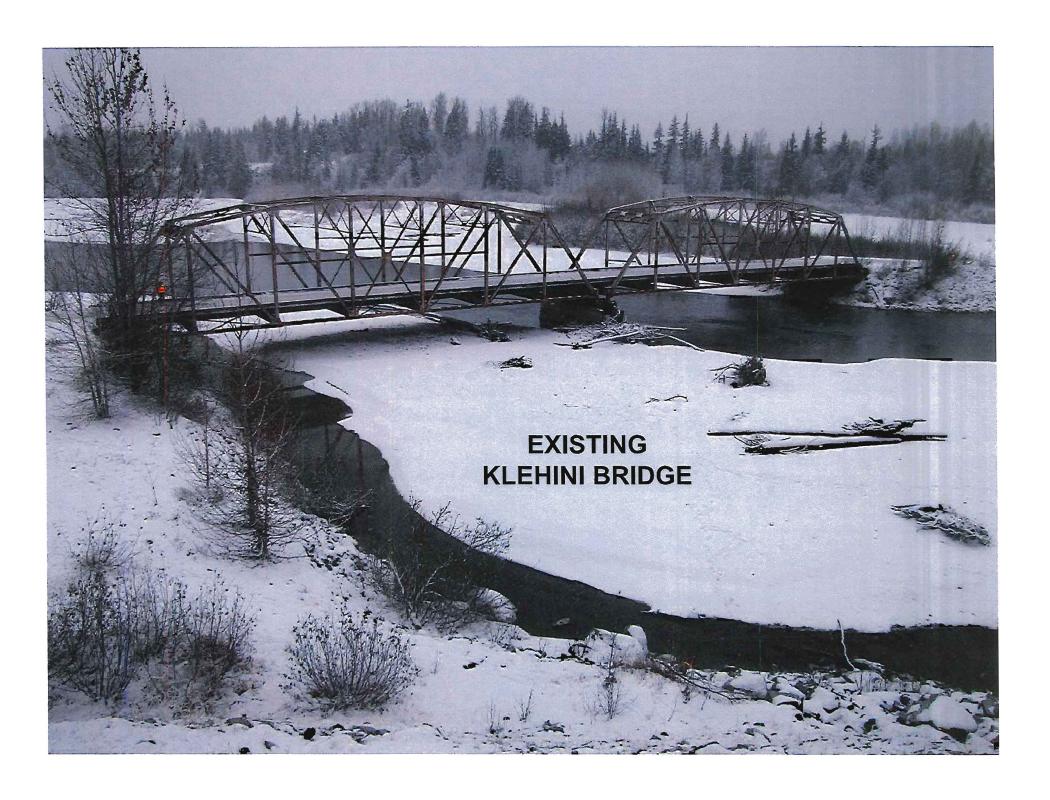
Office: 907-465-4456 Cell: 907-957-5310

cc: Andy Hughes - Southcoast Region Planning Chief Keith Karpstein, P.E. - Design Group Chief Elmer Marx, P.E. - Senior Bridge Designer Jared Levings, P.E. - Bridge Engineer Doug Blackburn, P.E. - Project Engineer of Record

#### Attachments:

- Photograph of Gakona Bridge
- Photograph of existing Klehini Bridge
- Haines Borough Resolution #494
- Memorandum of Agreement (MOA)
  - MOA Attachments:
    - Preliminary Drawings
    - Draft ROW Exhibit





#### HAINES BOROUGH RESOLUTION #494

# A RESOLUTION OF THE HAINES BOROUGH ACCEPTING OWNERSHIP AND MAINTENANCE RESPONSIBILITY OF KLEHINI CROSSING, THE PORCUPINE ROAD AND THE CHILKAT LAKE ROAD.

WHEREAS, the Alaska Department of Transportation & Public Facilities (ADOT/PF) has funding available for road improvements within the Haines Borough; and

WHEREAS, the Haines Borough maintains Chilkat Lake Road and desires to have Chilkat Lake Road improved, and is willing to accept ownership and responsibility to maintain the road in the future, which is a requirement of the Federal Highway Administration, which is providing funding for the improvements; and

WHEREAS, ADOT/PF has jurisdiction over the Klehini Crossing and Porcupine Road and maintains the Klehini Crossing to the junction with the Chilkat Lake Road, and

WHEREAS, the Haines Borough is willing to accept ownership of the Klehini Crossing and Porcupine Road and relieve ADOT/PF of responsibility for maintenance of these roads in return for improvements to Chilkat Lake Road, and

WHEREAS, the Haines Borough has authority to enter into this agreement under AS 29.35.010, and ADOT/PF has the authority to enter into this agreement under AS 19.05.040; and so,

**NOW, THEREFORE BE IT RESOLVED** by the Assembly for the Haines Borough that the Borough accepts ownership of and maintenance responsibility for the Klehini Crossing, the Porcupine Road and the Chilkat Lake Road, subject to a right of entry to ADOT/PF for the purposes of making the aforesaid improvements.

APPROVED by the Borough Assembly by a v	vote of
ADOPTED: 6/20/00	1 01
ATTEST: Jaun Klessney Karen Harvey, Clerk/Treasurer	Jerry L. Lapp, Mayor

# Memorandum of Agreement

### **Between Haines Borough**

and the Alaska Department of Transportation & Public Facilities for the <u>Haines – Klehini Bridge Replacement & Transfer</u> project. (Federal Project #BR-0003(152) ~ State Project #69377)

#### I. Introduction and Acknowledgments

This is an agreement between the State of Alaska, Department of Transportation and Public Facilities (DOT&PF) and the Haines Borough (Borough) regarding the Haines – Klehini Bridge Replacement & Transfer project (Federal Project #BR-0003(152) ~ State Project #69377), (the "Project"). The attached Draft Right of Way Exhibit (one page) and attached drawings (ten pages) are schematic descriptions of the Project.

The parties acknowledge that DOT&PF has historically maintained the existing Klehini Bridge (the "existing bridge") and the portion of the existing Porcupine Road from its intersection with the Haines Highway to near the intersection of Chilkat Lake Road (the "existing road").

The parties acknowledge that the Rights-of-Way (ROW) on the existing road and existing bridge are within the boundaries of the legislatively designated Alaska Chilkat Bald Eagle Preserve (AS 41.21.610, et seq.) and therefore have an impediment to alienation. As transportation and utility facilities located partially or completely within the Preserve are excluded from management of the Preserve (AS 41.21.612(a)), DOT&PF will transfer the constructed transportation facility identified in the attached Draft Right of Way Exhibit, and the responsibility to operate and maintain the constructed facility and its rights-of-way; however, the underlying real property will not be relinquished to the Borough.

The parties acknowledge that improvements made as a result of the Project will include road realignment, replatting of the ROW, new pavement, new drainage improvements, new guardrail, new rock armored river embankments and the proposed Klehini River Bridge (collectively the "Project").

#### II. Project Scope

DOT&PF will plan, design, and construct improvements to the Project to include road realignment, replatting of the ROW, new pavement, new drainage improvements, new guardrail, new rock armored river embankments and the Bridge. This Project will use Federal Highway Administration (FHWA) funds for planning, design, and construction. Alaska Statute 44.42.020 authorizes DOT&PF to cooperate, coordinate, and enter into agreements with the federal government and municipalities to plan, design, and construct transportation facilities.

Pursuant to Haines Borough Resolution # 494 (June 20, 2000), the Borough currently owns and has full maintenance responsibility for the existing bridge, Porcupine Road, and Chilkat Lake Road. Upon substantial completion of the Project, the Borough shall retain its current maintenance responsibilities for these facilities and their associated rights-of-way, and the Borough shall assume responsibility for maintenance of all improvements made by the Project, including Porcupine Road from its junction with Haines Highway to its junction with Chilkat Lake Road.

The terms of this MOA supersede the terms of any earlier maintenance agreement for the subject transportation facilities. The execution of this MOA must be authorized by Borough resolution or ordinance, and breach of the terms of the MOA could result in a negative evaluation of other proposed projects in the Borough for up to six years after the breach. 17 AAC 05.175(*l*).

# III. Planning, Design, Construction, and Ownership of the Project and Improvements

#### A. Project Developed in Stages or Phases

The Project will be broken down into two phases; preliminary engineering through final plans, specifications & estimate (PS&E), and construction.

#### B. DOT&PF's Responsibilities

DOT&PF shall:

- 1. Ensure that the FHWA funds appropriated for the Project are expended in accordance with federal and State laws and regulations.
- 2. Plan, design, and construct the Project.
- 3. Obtain NEPA documentation as needed, and keep an interested parties list.
- 4. Keep the Borough point-of-contact informed of Project status.
- 5. Charge staff time and expenses to the Project.
- 6. When design is 95% complete, submit to the Borough for review and comment on the plans, specification and estimate (PS&E) that will go to advertisement for bid solicitation.
- 7. Submit the final Plans, Specifications and Estimate package to the Borough for approval prior to advertising the project for bids.
- 8. Provide bridge inspections and inspection reports at no charge to Haines Borough.
- 9. Act as agent for the State of Alaska to relinquish ROW associated with the Project and all improvements provided by the Project to Haines Borough.

#### C. The Borough's Responsibilities

The Borough shall:

- 1. Provide project management staff for coordination and review as needed with no cost to the Project.
- 2. Accept full ownership of the constructed improvements and complete responsibility for the Project, upon substantial completion, as illustrated by the attached Draft ROW Exhibit. The Borough's acceptance of ownership of the constructed Project is not a direct or implied waiver of a contractor's responsibility to satisfactorily complete the work.
- 3. Address deficiencies identified through bridge inspections and reports provided by DOT&PF.
- 4. In addition to the transfer of constructed improvements and the transfer of operation and maintenance responsibilities described herein, DOT&PF will assign to the Borough, for all events occurring after substantial completion, all its rights, powers,

interests, and privileges in or arising from each and every one of the utility permits listed below, or as listed at time of transfer:

- Tlingit & Haida Regional Elec. Auth. 7.2/12.5 kv buried electric distribution line.
- General Telephone Co. of Alaska 54 to a 25 pair buried cable
- Inside Passage Electric Cooperative (IPEC) 7200/12470 volts 1 phase, 1/0
   AL URD, 25 KV in 2 inch conduit, new pad mount transformer.

#### IV. PROJECT ADMINISTRATION

Unless otherwise expressly stated in this MOA, the DOT&PF shall be solely responsible for all Project procurements.

Except as otherwise expressly stated in this MOA, the DOT&PF will be solely responsible for the administration of all Project contracts, in accordance with its contract(s) with the contractor(s) ("construction contract(s)"). The Borough has no direct or implied right to enforce any terms or conditions of any professional services or construction contracts against either the DOT&PF or the contractor(s) except where there is alleged Project mismanagement premised upon the DOT&PF's gross negligence, recklessness, or intentional misconduct. Nothing herein shall be read to modify the scope of AS 09.50.250 or to waive any provisions thereof.

Notwithstanding Section IX of this Agreement, DOT&PF shall be wholly responsible for the defense of any procurement protests or contract claims.

#### V. FINAL INSPECTION

Representatives of the Borough and the DOT&PF may jointly conduct final inspections upon substantial completion of the Project's construction. The DOT&PF shall, however, determine when the Project reaches the point of substantial completion. The term "substantial completion" as used in this MOA means that the construction is sufficiently completed to allow the owner or a person authorized by the owner: A) to occupy the phase or stage constructed and improvements thereon; or B) to use the phase

or stage constructed and improvements thereon in the manner for which they were intended.

The DOT&PF shall provide the Borough with an "As Built" of the Project and all improvements at Project closeout.

# VI. THE BOROUGH'S RIGHT-OF-WAY, OPERATIONS, AND MAINTENANCE OBLIGATIONS

The Borough's right-of-way, operations, and maintenance duties for the Project shall commence on the date of substantial completion. The Borough's right-of-way, operations and maintenance duties for the existing bridge, Porcupine Road, and Chilkat Lake Road will continue, as superseded by this MOA. The Borough agrees that its obligations with regard to the transferred rights-of-way, operations, and maintenance include the following:

- A. The Borough agrees to perform, at its own expense, those right-of-way, operations, and maintenance obligations required by the use of FHWA funds. In carrying out these obligations, the Borough's duties include:
- 1. Those identified in 23 C.F.R. §1.23 ("Rights-of-Way") and 23 C.F.R. §1.27 ("Maintenance"), which would otherwise be required of the DOT&PF if the DOT&PF owned the transferred facility and improvements;
- 2. Management of the right-of-way and any utilities in accordance with relevant sections of 23 CFR Part 710 ("Right-of-Way and Real Estate") and 23 C.F.R. Part 645 ("Utilities");
  - 3. Complying with the DOT&PF's Right-of-Way Manual;
- 4. Conducting oversight and management of utilities located in any transferred right-of-way consistent with the DOT&PF's Utility Manual, and complying with the utility policies and requirements set forth in AS 19.25.010-020 and 17 AAC 15;
- 5. Allowing no encroachments within the transferred right-of-way without the prior consent of the DOT&PF and the FHWA;

- 6. Restraint from selling or conveying any portion of the transferred right-of-way without prior consent from the DOT&PF. In the event that the DOT&PF gives its consent to the disposal of any portion of right-of-way acquired with federal-aid highway funds for the Project, the Borough shall pay proceeds of the sale to the DOT&PF, which the DOT&PF will credit to the appropriate federal-aid and State accounts;
- 7. Issuing permits as required by the foregoing duties, and assuming sole responsibility for enforcement of all terms and conditions of such permits.
- B. The Borough agrees to maintain and operate the transportation facilities consistent with 23 C.F.R. §1.27 and the DOT&PF's <u>Alaska Highway Maintenance and Operations Manual</u> ("AHMOM"). In the event of conflict between 23 C.F.R. §1.27 and AHMOM, the more stringent provisions will establish the minimum standards with which the Borough must comply.
- C. The Borough shall perform all operation and maintenance activities required by this MOA at its own expense and without reimbursement from the DOT&PF. Maintenance activities include, but are not limited to:
  - 1. Planning, scheduling, administration, and logistics of maintenance activities;
    - 2. Traffic control and safety;
  - 3. Maintaining road, bridge, river and other embankment protection, including erosion control, to as-built conditions;
    - 4. Roadside management;
  - 5. Maintaining guardrails and guardrail end treatments to their as-built conditions;
  - 6. Snow and ice control, including all plowing, sanding, culvert and storm sewer thawing, snow hauling, winging, opening of shoulders, ice scraping, drift control, snow slide removal, and associated tasks as may be required for the safe and timely passage of the public;

- 7. Maintaining signs and delineators in an as-built condition and their replacement, including posts and foundations, when damaged, unreadable, or worn out;
- 8. Maintaining highway markings and repainting as required to maintain performance of their intended function;
  - 9. Removal of debris, rubbish, and dead animals;
- 10. Signing of seasonal weight restrictions as may be required by local conditions;
- 11. Pothole repair using the appropriate asphalt or concrete products on an as-needed basis;
  - 12. Annual crack sealing
- 13. Addressing deficiencies identified through bridge inspections and reports provided by DOT&PF.

#### VII. TERM

This MOA shall become effective on the date of the last signature and shall apply in perpetuity.

#### VIII. INCORPORATION CLAUSE

The Borough shall comply with all applicable federal and State laws, regulations, executive orders, stewardship agreements, and applicable DOT&PF manuals and guidelines, including those provisions that would apply to the DOT&PF if the DOT&PF were to perform those tasks to be performed under this MOA by the Borough. This obligation is in addition to compliance with any law, regulation, or executive order specifically referenced in this MOA.

#### IX. INDEMNIFICATION

1. The Borough shall hold the DOT&PF, the State, its officers, employees, and

agents (collectively, "the State") harmless from and defend and indemnify the State for liability, claims, or causes of action arising out of this MOA or relating to the Project or property and facilities being transferred and the obligations being assigned.

- (a) Notwithstanding the foregoing, the Borough shall have no obligation to hold harmless and indemnify the State to the extent the State is determined to be liable for its own acts or omissions, except that:
  - (i) to the maximum extent allowed by law, the Borough shall hold the State harmless from and indemnify the State for liability, claims, or causes of action arising from an alleged defect in the design or construction of any facility transferred to the Borough pursuant to this MOA, regardless of negligence or other fault, if such liability, claim, or cause of action arises out of an incident that occurs more than two years after the Borough assumes maintenance responsibilities for the subject facility.
- (b). The Borough's duty to defend shall apply regardless of whether it is also alleged that the State's acts or omissions contributed to the injury (including injury to personal property, real property or persons, including fatal injury).
- (c) Neither liability claims nor causes of action arising from injuries which occurred prior to the date of the transfer of maintenance responsibilities, nor liabilities imposed by or claims or causes of action arising from or asserted under AS 46.03.822, shall be governed by this paragraph.
- 2. The DOT&PF shall add a special provision to its bid documents extending the protections of Standard Specification 107-1.13 to the Borough. The DOT&PF shall add a special provision to its bid documents requiring the Borough to be listed as an additional insured in all instances where the successful bidder would be required to add the DOT&PF as an additional insured. The Borough shall have the right to enforce these provisions against the successful bidder.

#### X. EACH PARTY IS AN INDEPENDENT CONTRACTOR

For the purposes of this Agreement and all services to be provided hereunder, each

party shall be, and shall be deemed to be, an independent contractor and not a partner, agent, or employee of the other party. Neither party shall have authority to make any statements, representations, or commitments of any kind, or to take any action, which shall be binding on the other party, except as may be explicitly provided for herein or authorized by the other party in writing.

#### XI. CANCELLATION REMEDIES

- 1. If the Borough requests cancellation of any construction contracts entered into by the DOT&PF, the Borough shall be responsible for those costs not accepted for reimbursement by the State, amounts the State expects to be reimbursed for, and any other costs or expenses incurred by the Borough or the DOT&PF in the Project to the date of cancellation or related to finalizing cancellation and Project termination.
- 2. If the DOT&PF is the primary cause of the cancellation, the DOT&PF shall bear those costs not accepted for reimbursement by the State, amounts the State expects to be reimbursed for, and any other costs or expenses incurred by the Borough or the DOT&PF in the Project to the date of cancellation or related to finalizing cancellation and Project termination.
- 3. The foregoing remedies are in addition to any other remedies referenced in this MOA, and do not bar or limit the parties from resorting to any other remedy available at law or equity.

#### XII. PENALTY FOR BREACH OF MAINTENANCE OBLIGATIONS

A. <u>Notification and Opportunity to Cure:</u> If DOT&PF notifies the Borough in writing that it is in violation of any of the terms, conditions, or provisions of Section VI, VII, or VIII of this Agreement, the Borough shall have thirty (30) days from the date of such notification to remedy the violation; or, if the remedy will take in excess of thirty (30) days to complete, the Borough shall have thirty (30) days to commence implementation of a satisfactory remedy.

Expiration of the thirty (30) days and failure by the Borough to remedy is a breach

- of this MOA. If the Borough is in substantial breach, DOT&PF may elect to terminate this MOA. Failure to implement a satisfactory remedy may also result in the DOT&PF not considering any Borough contribution in evaluating the Borough's municipal capital improvement project nominations in the six years after breach (17 AAC 05.175(*l*)).
- **B.** <u>Remedies:</u> In the event of breach of the Borough's obligations to own, maintain and operate the Project or the constructed improvements, damages shall include, but are not limited to:
  - 1. Return of the State and federal funds expended on the Project under this MOA;
- 2. Reimbursement to the DOT&PF for any costs incurred by the DOT&PF which are directly or indirectly related to fulfilling any of the Borough's contractual commitments; and
- 3. Withholding of approval of future State-funded projects until such time as the Borough puts the Project in a state of compliance with this MOA.

#### XIII. MISCELLANEOUS PROVISIONS

- A. <u>Amendment or modification of Agreement:</u> This MOA may only be modified or amended by written agreement signed by authorized representatives for both Parties.
- **B.** The Whole Agreement: This MOA constitutes the entire agreement between the Parties. There are no other understandings or agreements between the Parties, either oral or memorialized in writing, regarding the matters addressed in this MOA. This MOA may not be amended by the Parties unless an amendment is agreed to in writing with the both Parties signing through their authorized representatives.
- **C.** <u>Assignment:</u> Without the written consent of the DOT&PF, this MOA is not assignable by the Borough either in whole or in part.
- **D.** Third Parties and Responsibilities for Claims: Nothing in this MOA shall be construed as conferring any legal rights, privileges, or immunities, or imposing any legal duties or obligations, on any person or persons other than the Parties named in this MOA, whether such rights, privileges, immunities, duties or obligations be regarded as

contractual, equitable, or beneficial in nature as to such other person or persons. Nothing in this MOA shall be construed as creating any legal relations between the DOT&PF and any person performing services or supplying any equipment, materials, goods, or supplies for the Project.

- **E.** <u>Duty of Cooperation:</u> Each party agrees to provide reasonable access to the Project and to relevant Project records, to any authorized representatives of the other party or U.S. Government. The Borough and DOT&PF further agree to cooperate in good faith with inquiries and requests for information relating to the Project or its obligations under this MOA.
- F. Necessary Approvals: In the event that any election, referendum, ordinance, approval, permit, notice, or other proceeding or authorization is requisite under applicable law to enable the Borough to enter into this MOA or to undertake the Project, or to observe, assume or carry out any of the provisions of the MOA, the Borough will initiate and consummate, as provided by law, all actions necessary with respect to any such matters so requisite.
- G. <u>Joint Drafting</u>: This MOA has been jointly drafted by the Parties, and each party has had the ability and opportunity to consult with its legal counsel prior to signature. The MOA shall not be construed for or against either party.
- K. Third Party Beneficiary Status: The Borough is not an intended beneficiary of any contracts between the DOT&PF and any contractors, subcontractors or consultants or any other third parties, and has no contractual rights with respect to such contracts or any provisions thereof, unless expressly stated otherwise.

#### XIV. CONTACTS

The DOT&PF's contact is Matt Van Alstine (<u>matthew.vanalstine@alaska.gov</u>); 465-4456), Engineering Manager for the Southeast Region, or as may be re-designated in writing from time to time. The Borough's contact is David B. Sosa (dsosa@haines.ak.us; (907) 766-2231 ext. 29), Borough Manager for Haines Borough, or as may be re-designated in writing from time to time.

# XV. ATTACHMENTS

Preliminary Drawings (10 Pages)

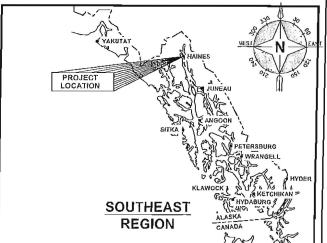
Draft Right of Way Exhibit (1 Page)

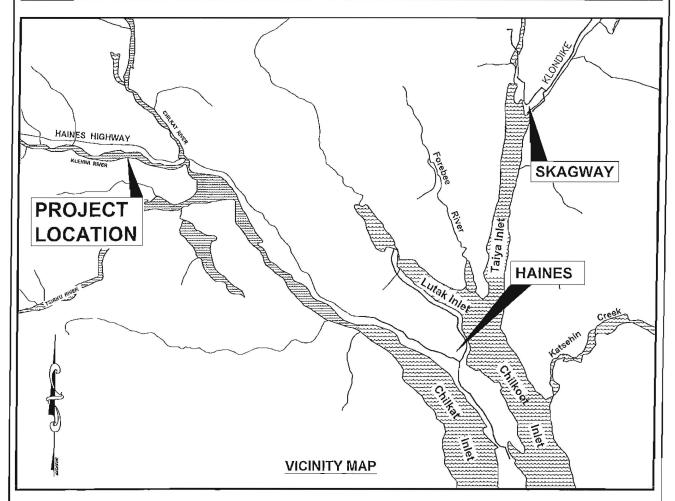
The undersigned agree to the terms of this Memorandum of Agreement:

# STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

Dated:	By:
	Albert H. Clough, CPG
	Regional Director, Southeast Region
Regional Director for the Sou	RN TO OR AFFIRMED before me by Albert H. Clough, who is theast Region of the Alaska Department of Transportation & Public established under Alaska law, on thisday of 114.
	Notary Public, State of Alaska My commission expires:
THE BOROUGH OF	HAINES
Dated:	By: David B. Sosa Borough Manager, Haines Borough
	N TO OR AFFIRMED before me by David B. Sosa,,who is the s Borough, a Municipality established under Alaska law, on, 2014.
	Notary Public, State of Alaska My commission expires:
ACKNOWLEDGME HAINES BOROUGH	NT OF THE COUNCIL OF THE
BE IT REMEMBERED that of the Haines Borough, a Munic foregoing instrument.	on theday of, 20 at a regular meeting, of cipality established under Alaska law, granted its approval of the
Dated:	Clark Hainer Bayanch
	Clerk, Haines Borough







WATER BODIES: KLEHINI RIVER

### **KEY AND REGIONAL MAPS**

APPLICATION BY:

ALASKA STATE DEPT. OF TRANSPORTATION AND PUBLIC FACILITIES DESIGN & ENGINEERING SERVICES DIVISION SOUTHEAST REGION HNS KLEHINI BRIDGE AND TRANSFER PROJECT #69377

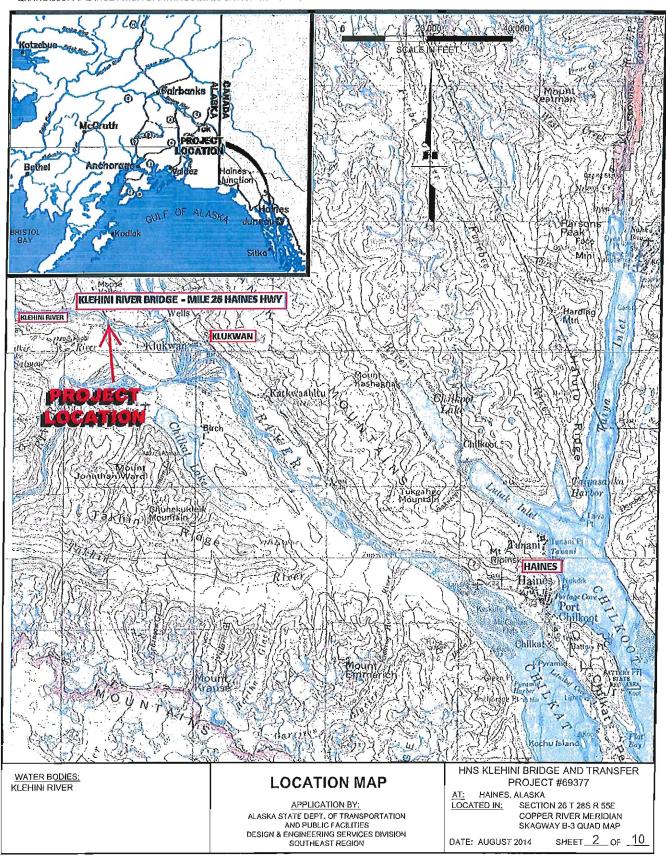
AT: HAINES, ALASKA

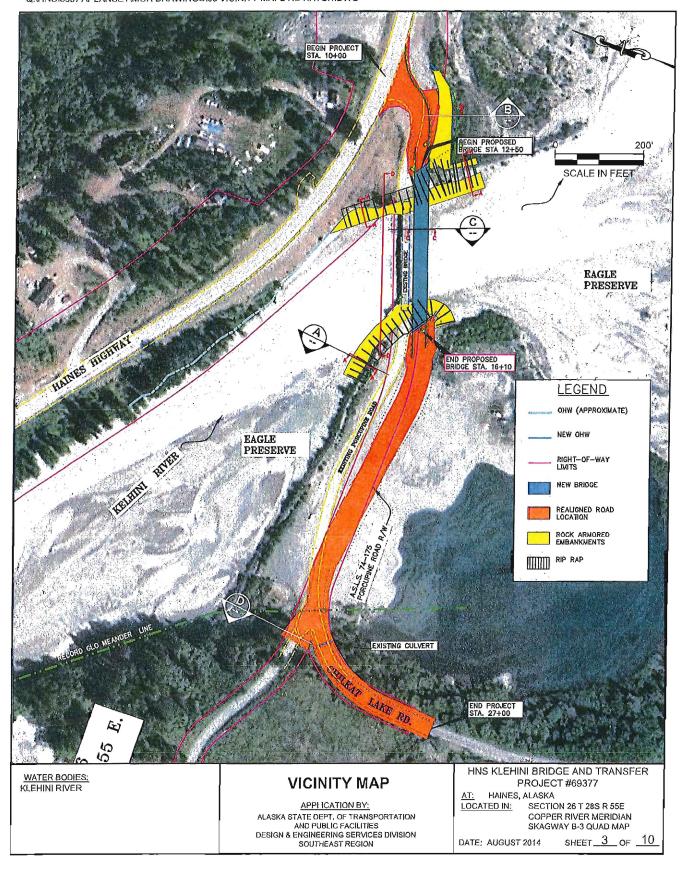
LOCATED IN: SECTION 26 T 28S R 55E

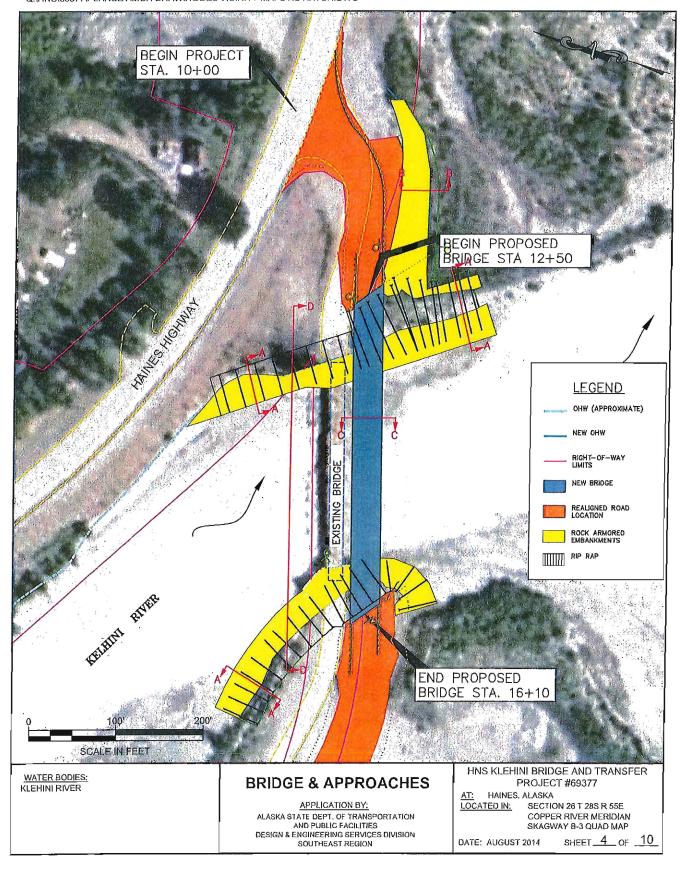
COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

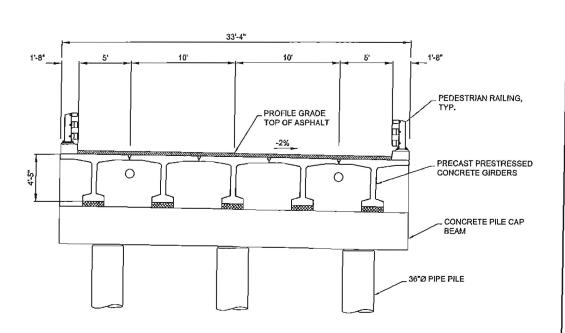
DATE: AUGUST 2014

SHEET 1 OF 10









WATER BODIES: KLEHINI RIVER

#### TYPICAL SECTION

**TYPICAL BRIDGE SECTION C-C** STA, 12+50 TO 16+10

> APPLICATION BY: ALASKA STATE DEPT. OF TRANSPORTATION AND PUBLIC FACILITIES DESIGN & ENGINEERING SERVICES DIVISION SOUTHEAST REGION

HNS KLEHINI BRIDGE AND TRANSFER PROJECT #69377

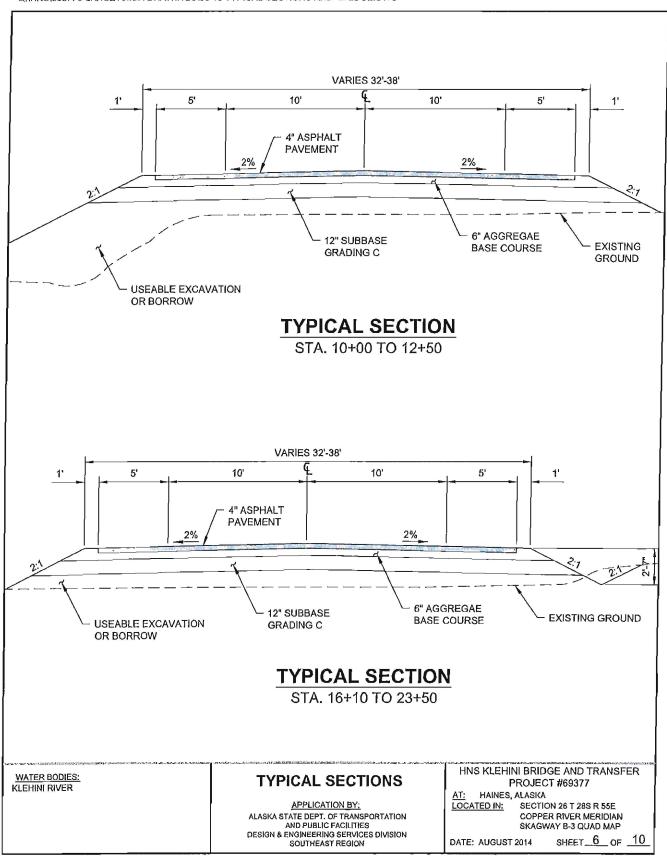
HAINES, ALASKA

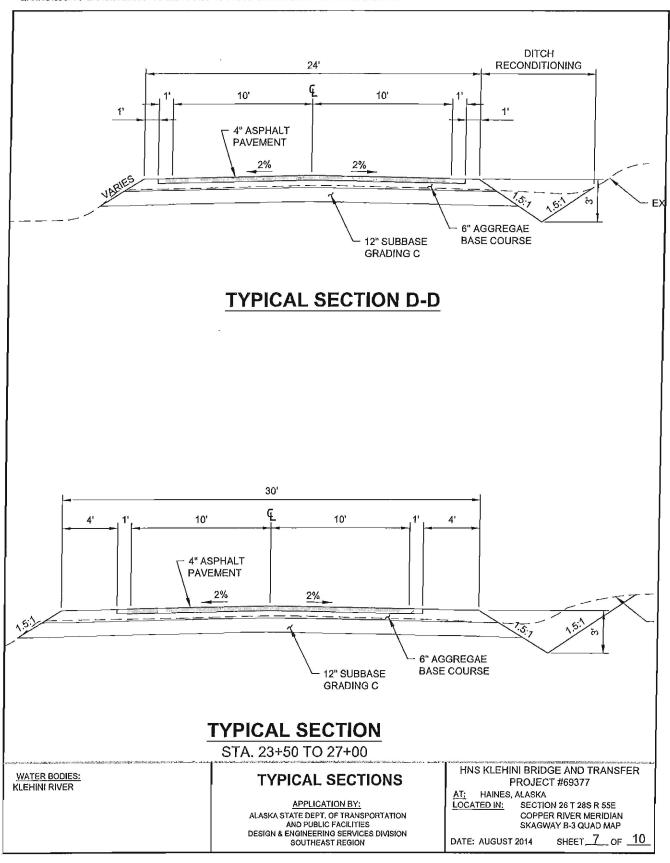
LOCATED IN:

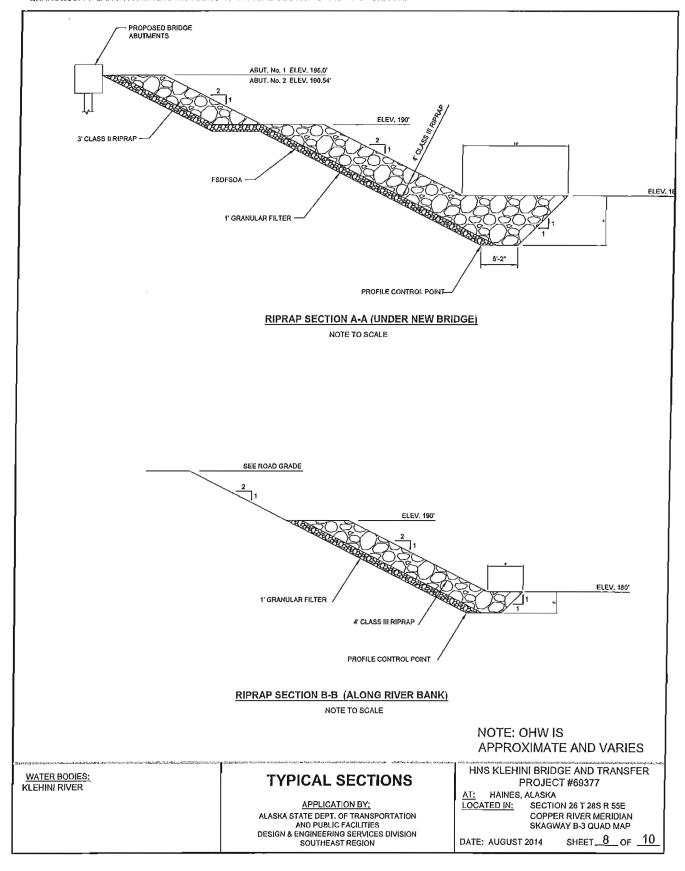
SECTION 26 T 28S R 55E COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

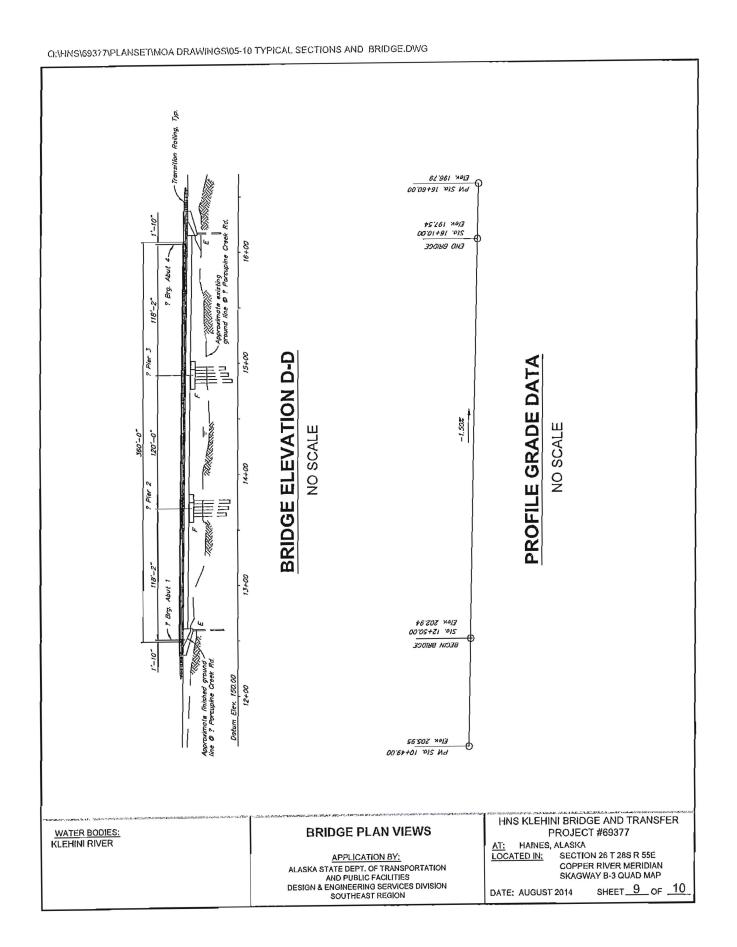
DATE: AUGUST 2014

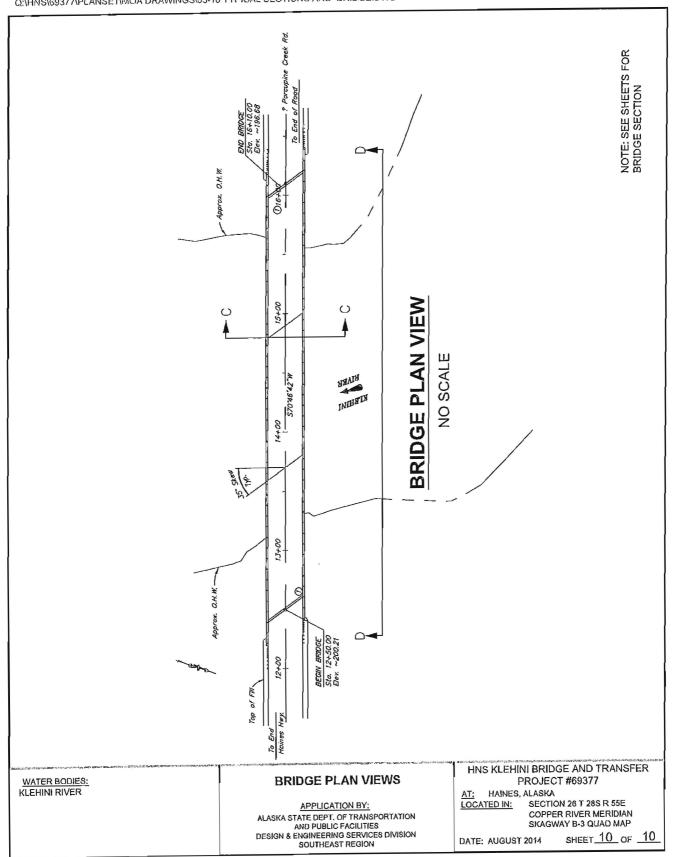
SHEET 5 OF 10

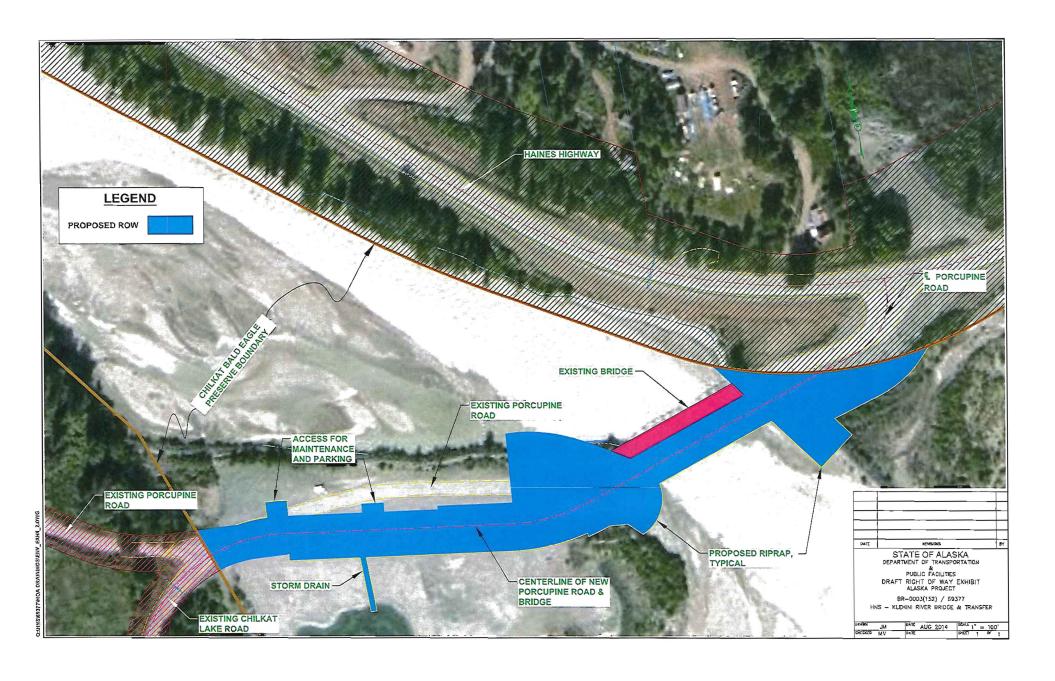












From: Carlos Jimenez
To: David Sosa
Cc: Julie Cozzi

Subject: FW: 69377 HNS Klehini Bridge River Bridge and Transfer

**Date:** Tuesday, January 13, 2015 12:46:30 PM

Mr. Van Alstine just called and asked if this could be discussed at tonight's meeting. Dave, can we be ready to discuss it at the next meeting?

From: Van Alstine, Matthew J (DOT) [mailto:matthew.vanalstine@alaska.gov]

Sent: Tuesday, January 13, 2015 11:39 AM

**To:** David Sosa **Cc:** Carlos Jimenez

Subject: RE: 69377 HNS Klehini Bridge River Bridge and Transfer

Dear Mr. Sosa:

Thanks for your time last week to discuss subject project. I appreciate the time you took to speak with me personally, because the fact is, the type of bridge you will be getting (concrete bulb tee girder) is designed to be maintenance free for 75 years. Historically, this has been the case with this type of bridge.

If you would like to discuss these facts in more detail, please refer to prior correspondence, or contact Elmer Marx in our Bridge Design Section at 465-6941.

Installing asphalt pavement on the bridge deck is not a requirement. However, we intend to provide asphalt pavement over the bridge deck to maximize protection.

However, costs could be incurred if the bridge rail is struck by an errant vehicle.

Guardrail is designed to be maintenance free for twenty years or more. As with bridge rail, the only cost Haines Borough might incur within the first twenty years is damage due to errant vehicles.

Haines Borough may elect to sand the roads in the winter time. Sand from the roadway will migrate down the side slopes of the roadway. To maintain proper drainage, this sand will need to be removed every five to ten years from the ditch north of the new road.

Ideally, brushing of side slopes should be accomplished every two to three years.

For the first twenty years after construction, all of the costs discussed above, including damage due to errant vehicles, are not anticipated to exceed \$2,500 per year on the average. My understanding is cost for damage to railing can be recovered through the responsible party's insurance company (if they can be identified), so actual costs to Haines Borough could be lower than this figure.

The top 2" of asphalt pavement (including asphalt pavement on the bridge) must be replaced approximately every twenty years. At this time, guard rail would need to be replaced (or at the least, upgraded). Current costs for this type of work, including guardrail replacement, would be

approximately one half million to one million dollars per mile. For a project of this length (approximately one third of a mile), this would be equivalent to somewhere between \$165,000 to \$330,000 every twenty years.

If you have questions or require additional information, please contact me.

Thanks,

#### Matt Van Alstine, P.E.

Engineering Manager Dept. of Transportation & Public Facilities Southeast Region Design, Juneau, Alaska

Office: 907-465-4456 Cell: 907-957-5310

From: David Sosa [mailto:dsosa@haines.ak.us]
Sent: Monday, December 15, 2014 10:56 AM

**To:** Van Alstine, Matthew J (DOT) **Cc:** Carlos Jimenez; Julie Cozzi

Subject: RE: 69377 HNS Klehini Bridge River Bridge and Transfer

Mr. Van Alstine,

I have reviewed the document that you sent for the Klehini Bridge Replacement & Transfer, your e-mail correspondence with Mr. Jimenez and Borough documents related to the original agreements. Approval of the proposed agreement would require Assembly approval. Assuming that the document was presented to the Assembly on 13 Jan (first meeting of the New Year)final approval would not be expected until the first meeting in February. This would allow Assembly review, public comments, and any additional staff action. It would be very helpful to have a State approved O&M Plan for the structure as well as a recommended Capital Improvement schedule to provide the Assembly.

Regards,

David B. Sosa
Borough Manager
Haines Borough, Alaska
www.hainesalaska.gov
dsosa@haines.ak.us
907-766-2231 ext. 29

From: Van Alstine, Matthew J (DOT) [mailto:matthew.vanalstine@alaska.gov]

Sent: Monday, September 29, 2014 10:52 AM

To: David Sosa

Subject: 69377 HNS Klehini Bridge River Bridge and Transfer

Dear Mr. Sosa:

Attached for your review is the draft Memorandum of Agreement and a draft ROW exhibit drawing for subject project. Haines Borough Resolution #494 is also attached. Due to attachment size limitations, additional preliminary drawings will be sent via separate e-mail.

This project would replace the Klehini River Bridge and re-align Porcupine Road from Haines Highway to the intersection of Chilkat Lake Road.

Our intent is to have a project ready for advertising this Federal Fiscal Year, which would lead to construction beginning in the spring of 2016. This schedule is dependent on environmental clearances and funding.

We would like to reach accord with Haines Borough and sign a final agreement in four to six weeks, if possible.

If you have comments or questions, please contact me.

Thanks,

#### Matt Van Alstine, P.E.

Engineering Manager
Dept. of Transportation & Public Facilities
Southeast Region Design, Juneau, Alaska

Office: 907-465-4456 Cell: 907-957-5310

### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 15-545
Assembly Meeting Date: 2/10/15

Business Item Des			Attachments:	
Subject: Authorize Extension of a Lease of a Portion of		1. Ordinance 15-02-4		
the Public Safety Building by the State of Alaska		2. Proposed Lease A	greement	
Originator:				
Borough Manager				
Originating Department Administration	[:			
Date Submitted:				
2/4/15				
Full Title/Motion:				
Motion: Introduce Ordinan	nce 15-02-400 and set at	firet nu	blic hearing for 2/24/15	
Wollon. Introduce Ordinari	15-02-400 and set a i	iiist pu	iblic fleating for 2/24/13	,.
Administrative Rec	ommendation:			
This ordinance is recomm	ended by the Borough M	/lanage	er.	
Fiscal Impact:				
-	Avec except Developed and	Λ	amulatian Damulaad	Projected Impact to Future
Expenditure Required	Amount Budgeted	Appropriation Required		Operating Budgets
\$0	\$0	\$ 0		N/A
Comprehensive Pla	n Consistency Pe	view	•	
Comp Plan Goals/Object		VICVV	•	
			Consistent: ■Yes	□No
Summary Statemer	nt:			
Haines Borough Charter 3	03(8) stinulates that the	leasing	n of horough property r	nust be granted by the assembly by
				of office space in an upstairs portion
				s through the Department of Fish and
				March 31, 2015, and the proposed
				oril 1, 2015, through March 31, 2020, hly lease rate shall be \$505.95
				by be adjusted effective April 1, 2016,
and each April 1 thereafter	and will be made in acco			change in the U.S. Department of
Labor Consumer Price Inde	ex (CPI).			
Referral:				
Referred to:			Referral Date:	
Recommendation:			N	leeting Date:
Assembly Action:				
Meeting Date(s): 2/10/1	5		Public Hearing Dat	e(s):

Postponed to Date:

# HAINES BOROUGH, ALASKA ORDINANCE No. 15-02-400

# Draft

An Ordinance of the Haines Borough authorizing a five-year extension of a lease of an upstairs portion of the Public Safety Building by the State of Alaska for the purpose of providing services through the Department of Fish and Game, with the option to renew for five additional one-year periods.

**WHEREAS**, Haines Borough Charter 3.03(8) stipulates that the leasing of borough property must be granted by the assembly by ordinance; and

WHEREAS, the State of Alaska has been leasing approximately 360 square feet of office space in an upstairs portion of the Borough's Public Safety Building, 213 Haines Highway, to provide services through the Department of Fish and Game; and

**WHEREAS**, the existing lease was effective April 1, 2005, with a termination date of March 31, 2015, and the proposed lease amendment would extend this lease for a period of five years beginning April 1, 2015, through March 31, 2020, with the option to renew for five additional one-year periods; and

**WHEREAS**, the new base monthly lease rate shall be \$505.95 effective April 1, 2015, an increase of \$15 per month; and

**WHEREAS**, the monthly lease rate may be adjusted effective April 1, 2016, and each April 1 thereafter and will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI),

**NOW, THEREFORE, BE IT ENACTED** by the Haines Borough Assembly that it is hereby determined to be for a public purpose and in the public interest of the Haines Borough to authorize the borough manager to execute a new lease with the State of Alaska for the specified portion of the Borough's Public Safety Building under the conditions of the attached lease agreement, and for a period of five years, with the option to renew for five additional one-year periods.

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. <u>Effective Date</u>. This ordinance shall become effective immediately upon adoption.

ADOPTED BY A DULY CON DAY OF,		OF THE HAINES BOROUGH ASSEMBLY THIS
Attest:		Janice Hill, Mayor
Julie Cozzi, MMC, Borough	Clerk	
Date Introduced: Date of First Public Hearing: Date of Second Public Hearing:	02/10/15 // //	



## STATE OF ALASKA

## AMENDMENT TO LEASE LEASE 2559

This agreement, to be known as **Amendment Number Twelve (12)** to the existing lease, entered into on the 1<sup>st</sup> day of April, 2005, and **first recorded at the Haines Recording District as serial number 2005-000231-0** by and between:

HAINES BOROUGH P.O. BOX 1209 HAINES, ALASKA, 99827

hereinafter called the Lessor, and

STATE OF ALASKA
DEPARTMENT OF ADMINISTRATION - 11
550 WEST 7<sup>TH</sup> AVENUE, SUITE 1970
ANCHORAGE, ALASKA 99501-3558

hereinafter called the Lessee, covering:

The Lessor hereby leases to the State of Alaska the following described premises:

Approximately 360 square feet of net usable office space in the Haines Borough Public Safety Building, 213 Haines Highway, Haines, AK 99827; whose legal description is: "Frac.Sec.34, R59E, Mission Subdivision, Block L, Haines Recording District."

OFFICIAL STATE BUSINESS -- NO RECORDATION CHARGE

After Recordation, Return Document To:

State Of Alaska - Department Of Administration Division Of General Services Leasing Section 550 West 7<sup>th</sup> Avenue, Suite 1970

Anchorage, AK 99501-3558

**LEASE NO. 2559** 

Amendment No. 12

Page 1 of 4

2559 A12 Extend.docx

Initials	Initials

#### THIS AMENDMENT SHALL

- 1. Extend this lease for a period of five (5) years beginning April 1, 2015 through March 31, 2020.
- 2. Recognize that the Lessee shall have the option to renew this lease for five (5) additional one (1) year periods to be exercised at the sole discretion of the Lessee prior to expiration of the term.
- 3. Recognize that the Lessor shall have the option to terminate this lease after April 1, 2020 with 12-month advance written notice to Lessee.
- 4. Recognize that the **New Current Monthly Lease Rate shall be \$505.95**, effective April 1, 2015.
- 5. Recognize that the **New Base Monthly Lease Rate shall be \$505.95** effective April 1, 2015.
- 6. Effective April 1, 2015, remove all CPI adjustment language and replace it with the following:

Adjustments in the lease rate may be made if requested in writing by the Lessor at least thirty (30) days prior to the effective date of the adjustment. Request must be made annually only. Such adjustments may be made annually to reflect the changes in the Lessor's variable costs, and defined as all operational cost other than debt service and profit. Operational costs, for purposes of the lease resulting from this RFP, are equal to thirty-five percent (35%) of the Base Monthly Lease Rate.

The monthly lease rate may be adjusted effective April 1, 2016 and each April 1 thereafter and will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index, for All Urban Consumers, All Items, (CPI-U) Anchorage Area, in effect for each July through December (2<sup>nd</sup> Half). The percentage difference between the CPI in effect for the base year six (6) month average, CPI-W Index, 2<sup>nd</sup> half 2014, (215.679) and each CPI July through December (2<sup>nd</sup> Half) average thereafter will determine the maximum allowable adjustment of the variable costs over the Base Monthly Lease Rate.

The Base Monthly Lease Rate is \$505.95.

Initials \_\_\_\_\_ Initials \_\_\_\_\_

OFFICIAL STATE BUSINESS NO RECORDATION CHARGE	LEASE NO. <b>2559</b>
After Recordation, Return Document To:	Amendment No. 12
State Of Alaska - Department Of Administration	Page 2 of 4
Division Of General Services	
Leasing Section	
550 West 7 <sup>th</sup> Avenue, Suite 1970	
Anchorage, AK 99501-3558	2559 A12 Extend.docx

The formula is expressed as:

LASSON HAINES BOROLIGH

Initials \_\_\_\_\_ Initials \_\_\_\_\_

[(35% x Base Monthly Lease Rate) x % change in CPI] + Base Monthly Lease Rate = Adjusted Monthly Lease Rate.

If the index is discontinued or revised during the term of the lease, such other governmental indices or computations with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the index had not been discontinued or revised.

Retroactive adjustments will not be allowed.

7. Recognize the Lessee address is changed to read: 550 WEST 7<sup>TH</sup> AVENUE, SUITE 1960. The remainder of the address is unchanged.

All other terms and conditions of the lease remain the same.

Lessor. HAMLO BOROGOTI		
By: Dave Sosa City Manager	Date:	
Lessee: STATE OF ALASKA		
Shawn Gallagher Contracting Officer	Date:	w 2
OFFICIAL STATE BUSINESS NO RECORD After Recordation, Return Document To: State Of Alaska - Department Of Admi Division Of General Services Leasing Section 550 West 7 <sup>th</sup> Avenue, Suite 1970		LEASE NO. <b>2559</b> Amendment No. <b>12</b> Page 3 of 4
Anchorage, AK 99501-3558		2559 A12 Extend.docx

ACKNOWLEDGMENT BY LESSOR: Haines Borough	
STATE OF ALASKA	
HAINES BOROUGH	
HAINES BOROUGH	
This is to sortify that on this	2015 hefers
This is to certify that on this day of Notary Public in and for the State of Alaska duly commissioned and sworn	,2015 before me a
Notary Public in and for the State of Alaska duly commissioned and sworn	personally appeared Dave
Sosa to me known and known by me to be the person(s) described in	
instruments set forth above and severally stated to me under oath that he is	
has been authorized by The Haines Borough to execute the foregoing lea	se amendment for and on
behalf of the said company, corporation, individual, or other entity and they	executed same freely and
voluntarily as a free act and deed of Same.	,
WITNESS my hand and official seal the day and year this certificate first abo	ve written
The second of th	
Notary Public for Alaska	
My Commission Expires:	
Deciding of	
Residing at:	
ACKNOWLEDGMENT BY LESSEE: STATE OF ALASKA	
STATE OF ALASKA	
CITY OF ANCHORAGE	
This is to certify that on this day of	,2015 before
me a Notary Public in and for the State of Alaska duly commissioned and so	worn personally appeared
Shawn Gallagher, Contracting Officer, to me known and known by me to	
the executed instruments set forth above as an agent of the Division of Ger	
of Alaska and that this person has been authorized by the State of Alaska	
lease amendment on behalf of said State of Alaska and that this person exe	cuted the same freely and
voluntarily as the free act and deed of the State of Alaska.	•
WITNESS my hand and official seal the day and year this certificate first abo	ve written.
	COLUMB CONTRACTOR CONT
Brian Blessington	
Notary Public for Alaska	
My Commission Expires with Office	
Residing at: Anchorage, Alaska	
OFFICIAL STATE BUSINESS NO RECORDATION CHARGE	LEASE NO. <b>2559</b>
After Recordation, Return Document To:	
	Amendment No. 12
State Of Alaska - Department Of Administration	Amendment No. <b>12</b> Page 4 of 4
State Of Alaska - Department Of Administration Division Of General Services	
Division Of General Services	
Division Of General Services Leasing Section	
Division Of General Services Leasing Section 550 West 7 <sup>th</sup> Avenue, Suite 1970	Page 4 of 4
Division Of General Services Leasing Section	
Division Of General Services Leasing Section 550 West 7 <sup>th</sup> Avenue, Suite 1970	Page 4 of 4



To: Alaska Division of Forestry, Haines State Forest PO Box 263 Haines, Alaska 99827

Subj: Haines Borough Comments on "Baby Brown" Timber Sale.

Dear Mr. Josephson,

Thank you for your invitation for the Borough to comment on the "Baby Brown" timber sale located on State Forest Lands within the Borough. We appreciate the contribution that activities like this can make to the local economy and to our local logging companies. This letter is submitted by the Borough Manager on behalf of Haines Borough. This document was reviewed by individual members of the Haines Borough Assembly, key staff, and the Parks and Recreation Advisory Committee. Also factored in are the concerns of many individual residents who contacted the Borough to ensure that their voice would be heard. This document should therefore be viewed as a Borough statement with significant community input.

#### **Borough Input:**

**Economic Opportunities for Haines Borough Residents:** A timber sale of this size represents an employment opportunity for Haines residents. It is the preference of the Borough that as many local contractors as possible are able to participate in this endeavor. You suggest that the sale may be sold as one large one or several smaller ones. There may be some value is keeping the sale sizes small to allow our local contractors to do the work rather than have an outside company come in. Your estimate of 20 local jobs being produced by the sale may not happen if locals can't compete for the sale due to the size of the offering.

Impact to Local Roads and Infrastructure: One additional area of interest about this sale pertains to impacts to local roads and structures. There are some portions of the proposed haul road that are maintained by the Borough and/or through RMSA collections. Since this is the case, we would want to ensure some agreements are in place to cover any extra maintenance costs that might be incurred. Also, the Klehini River Bridge is rated in poor condition by the ADOT&PF and is scheduled for replacement in 2016. Prior to that replacement, there may be load rating issues that you should look into, particularly in the case of overload configurations.

**Opportunity to Improve Recreational Access:** A project of this size can create opportunities for improving recreation access as well as potential conflicts with existing uses. The extension of existing road systems can offer access to existing and proposed trail systems. The proposed Jarvis Creek trail might be one example. Another example might be off-road parking areas at existing trails or other areas

where people might want to offload ATVs or snowmobiles. Getting these off the actual roadway would alleviate a possible safety situation during hauling operations. In addition, some traffic management signing might be needed during winter recreational periods when snowmobiles and log trucks may be using the road at the same time.

Visual Impact of the Timber Sale: The Haines National Scenic Byway, which is across the Klehini River from the sale area, is an area of interest to us. The Scenic Byway is an important asset in the Borough which, when fully developed will be an important draw benefitting our tourism economy. Our Comprehensive Plan has at least two references to the desirability of visual management that are applicable in the case of this timber sale. They are: Objective 5H (3) which states "Ensure State (ADNR, ADOT&PF,UA, AMHT, etc.) plans, projects, and operations along the Haines Highway are compatible with the corridor plan and objectives for the Scenic Byway." And further referenced under the description of Future Growth Land Designations; Resource Development lands; "Depending on the location, it may be important to pay special attention to viewshed protection."

While these intentions of the Borough Comprehensive Plan may not be reflected in the current HSF plan, we are aware that you may have some latitude to give more visual consideration as you finalize the design of these harvest units. Simple changes such as the design of harvest units, their size, shape and location on the landscape, as well as timing, will go a long ways toward having them fit in with our Comprehensive Plan objectives while likely not conflicting with your existing management direction. We ask that you coordinate the design of this timber sale closely with ADOT&PF's Scenic Byways staff to ensure your plans reflect a balanced approach to managing in this corridor.

Thank you for your support in helping us achieve our Comprehensive Plan goals as you move forward with this project. We look forward to further participation in this project in the future.

Sincerely,

David B. Sosa

D.B. Sosa

Haines Borough Manager/Lands Manager